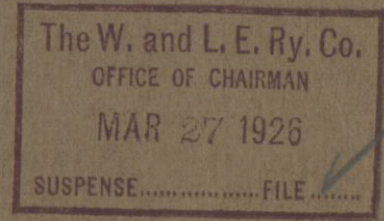


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1925

NINETY-THIRD ANNUAL REPORT

OF THE

BOSTON AND MAINE RAILROAD

YEAR ENDED DECEMBER 31, 1925

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NINETY-THIRD ANNUAL REPORT

OF THE

BOSTON AND MAINE RAILROAD

TO THE

STOCKHOLDERS

YEAR ENDED DECEMBER 31, 1925

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BOSTON AND MAINE RAILROAD

DIRECTORS

BOSTON AND MAINE RAILROAD

The Annual Meeting of the Stockholders of BOSTON AND MAINE RAILROAD will be held on Wednesday, April 14, 1926, at ten o'clock in the forenoon, in the President's Room, 11 North Station, Boston, Massachusetts, for the following purposes:

- I. To hear and act upon the report of the Directors.
- II. To fix the number of Directors and to elect Directors for the ensuing year.

By order of the Directors,

ARTHUR B. NICHOLS, *Clerk.*

Boston, Mass., March 9, 1926.

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BOSTON AND MAINE RAILROAD

DIRECTORS

*NORMAN L. BASSETT	AUGUSTA, ME.
**WALTER C. BAYLIES	TAUNTON, MASS.
GEORGE L. BATCHELDER	MEDFORD, MASS.
***RICHARD BILLINGS	WOODSTOCK, VT.
CHARLES W. BOSWORTH	SPRINGFIELD, MASS.
FRANK P. CARPENTER	MANCHESTER, N. H.
T. JEFFERSON COOLIDGE	MANCHESTER, MASS.
HARRY H. DUDLEY	CONCORD, N. H.
ERNEST MARTIN HOPKINS	HANOVER, N. H.
JAMES H. HUSTIS	WINCHESTER, MASS.
ALBA M. IDE	TROY, N. Y.
LOUIS K. LIGGETT	NEWTON, MASS.
HOMER LORING	ASHLAND, MASS.
† EDWARD LOVERING	TAUNTON, MASS.
GEORGE VON L. MEYER	HAMILTON, MASS.
WALTER M. PARKER	MANCHESTER, N. H.
W. RODMAN PEABODY	MILTON, MASS.
THOMAS NELSON PERKINS	WESTWOOD, MASS.
WILLIAM B. SKELTON	LEWISTON, ME.
† HARRY G. STODDARD	WORCESTER, MASS.
‡ FRANK D. TRUE	PORTLAND, ME.
JAMES DUNCAN UPHAM	CLAREMONT, N. H.
WILLIAM D. WOOLSON	SPRINGFIELD, VT.

* Resigned May 12, 1925 .

** Elected November 10, 1925

*** Resigned October 13, 1925

† Resigned March 9, 1926

‡ Elected May 12, 1925

BOSTON AND MAINE RAILROAD

LIST OF OFFICERS

CORPORATE AND EXECUTIVE

J. H. HUSTIS, PRESIDENT. HOMER LORING, CHAIRMAN EXECUTIVE COMMITTEE.
H. R. WHEELER, TREASURER.
A. B. NICHOLS, CLERK OF CORPORATION.

FINANCE AND ACCOUNTING

WM. J. HOBBS, VICE-PRESIDENT.
H. R. WHEELER, TREASURER.
W. S. TROWBRIDGE, COMPTROLLER.

OPERATING

B. R. POLLOCK, VICE-PRESIDENT AND GENERAL MANAGER.
D. S. BRIGHAM, ASSISTANT GENERAL MANAGER.
JOHN ROURKE, GENERAL SUPERINTENDENT.
S. E. MILLER, GENERAL SUPERINTENDENT OF TRANSPORTATION.
W. O. FORMAN, MECHANICAL SUPERINTENDENT.
W. J. BACKES, ENGINEER MAINTENANCE OF WAY.
W. Y. SCOTT, SIGNAL ENGINEER.

TRAFFIC

GERRIT FORT, VICE-PRESIDENT.
W. T. LAMOURE, FREIGHT ASSISTANT.
F. T. GRANT, PASSENGER ASSISTANT.
W. O. WRIGHT, GENERAL PASSENGER AGENT.
F. F. FARRAR, GENERAL FREIGHT AGENT.
J. R. MACANANNY, GENERAL FREIGHT AGENT.

LAW

A. P. MACKINNON, GENERAL SOLICITOR.

ENGINEERING

F. C. SHEPHERD, CHIEF CONSTRUCTION ENGINEER.

PURCHASES AND STORES

A. W. MUNSTER, PURCHASING AGENT.

OFFICES—BOSTON, MASS.

NINETY-THIRD ANNUAL REPORT

To the Stockholders of the Boston and Maine Railroad:

Foreword The circumstances surrounding the operation of the Boston and Maine Railroad in recent years have made it advisable to render to stockholders information regarding the operation of their property in greater detail than is customary in such reports.

Stockholders select for the direction and management of their properties those in whom they have confidence, and the strictly managerial duties must of necessity be left to those so selected. Yet there is a close interest by stockholders, and by the public, in the policies and the methods under which this public service of transportation is performed. Your management has endeavored consistently to inform stockholders and the public alike. This has been done both as a matter of obligation, and in the belief that an active interest by stockholders, and a knowledge of the facts by the public, may do much to advance the efforts of your management to meet the problems of the road.

Railroads, while financed with private capital, are no longer private operations. On the contrary, they are controlled largely through laws, Federal and State, and through regulations having the effect of law. The success or failure of our railroad operations thus is affected to a large extent by the application of these laws and regulations, the enactment of which usually reflects public opinion. There have grown up also in recent years organized public groups, — local, state and national, such as Chambers of Commerce, Boards of Trade, groups of shippers, of consumers, etc., — whose views and policies have entered largely into shaping the limitations and the privileges of organized transportation.

It is a matter of satisfaction that the public attitude is more helpful today to the efforts of railroad managements to operate these properties in the interest of the public and of stockholders, than for many years.

That the railroads performing this public service must be adequately supported by the public, which they serve, is fundamental. In recent years it has been increasingly realized that only with such adequate support can adequate service be given; also that stockholders whose private funds are employed in these public service activities are entitled to a fair return on their investment.

This property for more than a decade has been devoted more nearly to the performance of a public service than to the production of profits on the capital employed.

It is essential now that a condition of credit be restored.

At the moment, one of the problems confronting this railroad and the railroads of the country is the fact that the present improved financial showing has prompted demands for expensive and unproductive undertakings, — projects desirable in themselves, yet carrying potential handicaps to making this improvement permanent. Among these undertakings are grade crossing elimination, long dormant but now being revived, and automatic train control, already involving expenditures by the railroads generally running into the millions. Requests for wage increases are now being presented; downward rate adjustments are being urged; and railway taxes are showing a steady increase from year to year.

The continued loss of passenger and freight revenues under conditions of automobile development and motor duplication of railway services on the public highway is another problem involving diversion of large sums annually.

These and other problems must be met, and they can be met to best advantage by an informed body of stockholders and by an informed public opinion.

While public service must be kept to the fore, it may well be that the stockholder by informing himself more fully as to the facts in connection with the Railroad's problems, by thinking more deeply on the subject, can assist in extending the realization by the public of the many elements of mutual interest which are involved in this public service of transportation which after all is a business entitled to a fair return on the capital invested.

Operating Results

The results for 1925 include the operations of the Vermont Valley Railroad and of the Sullivan County Railroad, the capital stock of which is owned by the Boston and Maine Railroad, and the figures for the previous year have been stated on the same basis so as to afford a proper comparison.

While 1925 shows a marked improvement in financial results and operating efficiency on railroads generally over 1924 and the years following the end of Federal control, the improvement on the Boston and Maine is even more marked because of circumstances, referred to in succeeding paragraphs, under which it was accomplished.

The Net Income (after Fixed Charges) for the year 1925 was \$5,468,909 as compared with \$2,107,739 for the year 1924, an increase of \$3,361,170.

The operating revenues for railroads generally increased about 3.3% or approximately \$199,000,000, of which about \$150,266,000 or 75% was added to "Net Railway Operating Income," (the balance before the addition of "Other Income" and the deduction of fixed charges). On the Boston and Maine the operating revenues increased about 1.4%, or \$1,142,052, while by reason of a reduction in expenses, the amount added to "Net Railway Operating Income" was two and one-half times that amount, or \$2,863,475.

Taking into consideration the inclusion of the Vermont Valley Railroad and Sullivan County Railroad operations with the Boston and Maine figures for 1925, and placing the figures for previous years on a similar basis, the Net Income for 1925 was unequalled in the history of the Road. Even after allowing for the reduction in fixed charges by the consolidation of important leased lines in 1919, as a consequence of which leased line rentals were reduced approximately \$2,500,000 per annum by the substitution of first preferred stock, the 1925 results were better than in any preceding year with the sole exception of 1916, when war traffic conditions prevailed and the disadvantages of higher operating costs had not reached their height.

The explanation of the conditions under which these accomplishments were gained is found in a combination of causes and circumstances to which brief reference should be made.

Capital expenditures to improve the plant facilities from year to year (amounting to more than fifty millions of dollars since 1914) have contributed materially to efficient operation and with increasing effectiveness as succeeding improvements supplemented those made previously.

The recovery from the effects of the shopmen's strike in 1922, and the continued improvement in the morale, not only in the shop forces but in the forces generally, have been favorable influences on the net results.

The improved divisions of freight rates obtained from connecting lines in 1924, some of which did not become effective until the latter part of that year, applied throughout 1925.

Satisfactory weather conditions, larger freight revenues and lower prices for locomotive fuel, together with improved efficiency in other directions, have all had their part in the year's record. The general range of prices of material and supplies, with the exception of locomotive fuel, did not change materially over the previous year.

The operating ratio for 1925 and 1924 (revised), subdivided between the general groups of operating expenses, gives the measure of increased efficiencies and economies as indicated below:

	1925	1924
Maintenance of Way and Structures.....	12.5%	12.7%
Maintenance of Equipment.....	19.5	20.5
Traffic.....	1.0	0.9
Transportation.....	40.2	42.8
Miscellaneous.....	0.4	0.3
General.....	3.6	3.5
Total.....	77.2	80.7

A number of new records were made in 1925.

Transportation expenses were reduced more than \$1,600,000 in the face of an increased freight business, and notwithstanding a full year's effect of wage increases to train service employees granted in May, 1924. The ratio of transportation expenses to operating revenues was the lowest in the history of the present Boston and Maine Railroad.

With a new high record in train loading, and at the same time an improvement in freight train speed, the ton miles per train hour were better than ever before. Coupled with this freight train performance was an improvement

in the handling of freight cars in yards, etc., with the result that the car miles per day (and it should be understood that this includes all cars, serviceable and unserviceable, in transit, in yards, loading and unloading) reached 21.1 miles for 1925. In the period of 19 years for which this unit has been recorded, it has never before reached an average of 20 miles sustained throughout a year. The best record for a month was reached in August, 1925 (22.21 miles).

By reason of these new high performances in the handling of freight traffic, the freight train miles for the year 1925 were the lowest on record, and service more satisfactory than in many years.

The units of fuel consumption per 1000 gross ton miles in freight service and per locomotive mile and per passenger car mile in passenger service were lower than in the past five years or more.

The average number of freight cars on the line daily in 1925 was the lowest shown by records kept for 19 years, although the freight traffic was larger in 1925 than in all but six years of that period. The percentage of unserviceable cars was 9.0 in 1925 as compared with 11.4 in 1924.

Effective July 1, 1925, an arrangement was made between the Boston and Maine and the New Haven Railroads for the joint use of the freight equipment of the two roads, with the exception of refrigerator cars. This arrangement has been of mutual advantage to both roads, as well as to the shippers.

In addition to the improvement in the use of fuel, there was a reduction in fuel prices. The net result was that the locomotive fuel expense for 1925 was only 7.9% of the operating revenues as against 9.3% in 1924, and 12.2% in 1923.

In this connection, the Department of Public Utilities of Massachusetts, in its report for the year ended November 30, 1925, said "The locomotive (smoke) violations show a gratifying decrease, being less than half the number observed last year."

For the entire year 1925, 91.2% of the passenger trains were on time, the best performance since 1915, with the exception of 1921.

In connection with the reduction in the ratio of maintenance of equipment expenses from 20.5% in 1924 to 19.5% in 1925, it is to be noted that the condition of the equipment is better than it has been for a number of years. In spite of a reduction in the total number of units owned, the serviceable locomotives throughout the year averaged a higher number than for any year since 1920. The locomotive failures were fewer in number, and the locomotive mileage between failures was greater than for more than 10 years.

Very little change is shown in the ratio of maintenance of way and structures expenses. During 1925 the expenses were charged with 993,757 cross ties, of which 495,380 or 50% had been creosoted at the Nashua Tie Treating Plant. Corresponding figures for the previous year totaled 964,381 of which 258,398 or 27% were treated. In 1925 new rail was installed to the amount of 14,112 tons, and relay rail to the amount of 19,755 tons as compared with 14,888 and 14,176 respectively for previous year.

Additions and Betterments During the year there was charged for additions and betterments an amount of \$2,104,905.71 of which \$751,404.82 covered new or improved equipment. Land sales and retirements of equipment and other property amounted to \$3,366,525.93. The net result was a credit of \$1,261,620.22 as shown in Table No. 8.

The other principal items were strengthening the line from East Deerfield to Ayer to permit the operation of Santa Fe type engines between these locations; the construction of new bridges at Haverhill, Mass., Littleton, N. H., Tilton, N. H., and Newport, Vt.; new ice house at Newport, Vt.; water supply at Billerica Shops; ballasting eighteen miles of track; machinery for shops; and labor-saving machinery, including four cranes and a ditching machine for Maintenance of Way Department.

In August, 1925, construction was started on a new general office building located at Lechmere Square, East Cambridge, on land belonging to the railroad, adjoining the tracks of the Southern Division. The building which is now partially occupied, has eight stories; is 50 feet x 305 feet of modern reinforced concrete construction; has steam heat, and a modern air conditioning plant. A cafeteria is located in the basement.

This building has permitted the Railroad to release rented quarters in the Bent Building on Causeway Street, Boston, and to consolidate the forces from that building with forces from the North Station and Fitchburg Buildings at Boston, thereby offering an opportunity of developing commercially such space as is not needed for railroad purposes.

During the year extensive studies have been made in connection with the improvement or development of the Boston Terminal, so as to eventually eliminate or materially reduce the expensive maintenance of the large pile

and trestle areas in the Charles River and Miller's River Basin; also to concentrate freight house facilities and to improve operating conditions, thereby reducing switching costs and car detentions. As a first step, the road has acquired the title not previously held to property adjoining the Miller's River Basin.

Studies have also been made for filling in the Miller's River Basin and as far as possible the larger part of the Charles River between Warren Bridge and Leverett Street, providing for improvement in the channel between Warren Bridge and the Charles River Dam, as well as reduction in number of drawbridges. As a start in this direction, extensive track changes were made, and late in December, 1925, all Southern Division freight facilities, which had been carried on at Minot Street and at East Cambridge, were concentrated in improved yards at East Cambridge so that at the present time Minot Street Yard is entirely closed with the exception of the use of one of the buildings.

It is hoped that a start toward filling in the Miller's River Basin may be made in 1926.

Financial Readjustment In September 1925 the Directors approved a plan for the financial reorganization of the Company. As this plan has already been submitted to stockholders at a special meeting which voted formal approval, and as the plan is available in printed form it is unnecessary to restate its provisions in this report. Its success depends upon the voluntary cooperation of the holders of \$81,472,800 of stock and \$43,522,000 of bonds. If the plan is adopted it will constitute an interesting chapter in the history of railroad finance for it will be the largest railroad reorganization in which concessions are demanded of each class of security holder and which is not dependent for success upon the assistance of a court or accomplished through foreclosure of a mortgage or the exercise of the rights of one security holder at the expense of other classes.

The Massachusetts Legislature has already passed appropriate legislation to permit the issue of prior preference stock and to provide for the conversion of bonds into such stock. The holders of more than eighty-five per cent of the stock have already assented to the plan by depositing their stock with the Readjustment Committee. It is hoped that the requisite amount of bonds will have been deposited before the annual meeting. Subscriptions have been received from Stockholders for approximately \$11,200,000 of prior preference stock out of the \$13,000,000 which under the plan is to be issued in order to secure funds adequate for improvements to the property of the Railroad during the next four years. The Massachusetts Department of Public Utilities has already been requested to approve the issue of this prior preference stock and similar approval from the Interstate Commerce Commission will be sought in the near future. The Readjustment Committee hopes that the reorganization plan may become effective in the spring of 1926.

The Readjustment Committee announced on February 25 that it had received from the Syndicate Managers who are associated with the work of reorganization an offer to relinquish all compensation due them for their services and agreements in assisting to carry out the Plan, and from the New York, New Haven & Hartford Railroad, which is a member of the Underwriting Syndicate, an offer to surrender its share of commissions.

Both the Syndicate Managers and the New Haven Railroad are represented on the Readjustment Committee, and it was their opinion and that of the Committee that the carrying out of the Plan was of supreme importance both to the securities holders of the Road and to the public interest. They decided, accordingly, to waive the compensation to which they were entitled, in the belief that it would facilitate the carrying out of the Plan.

The General Readjustment Committee in announcing acceptance of these offers, said that they represented a substantial contribution to the success of the reorganization, to the assets of the Boston and Maine, and to the transportation resources of that great section of northern New England which the railroad serves.

Distribution of Stock The total number of stockholders at the close of 1925 was 13,211, a reduction of 3,097 from the number as of December 31, 1924.

GEOGRAPHICAL DISTRIBUTION OF STOCKHOLDERS, DECEMBER 31, 1925

	Women	Shares	Others	Shares	Total Stock- holders	Total Shares
No. in Massachusetts	3,142	65,543	5,803	612,403	8,945	677,946
" " New Hampshire	1,019	14,498	1,143	48,534	2,162	63,032
" " Maine	193	2,581	299	11,126	492	13,707
" " Vermont	63	469	74	3,012	137	3,481
" " New York	211	4,820	269	35,336	480	40,156
" Elsewhere	506	6,405	489	10,001	995	16,406
Total	5,134	94,316	8,077	720,412	13,211	814,728

ANALYSIS OF HOLDINGS

	Women	Men	Trusts and Corporations	Total Stockholders
No. holding 5 shares or less.....	2,441	1,684	774	4,899
" " more than 5 shares and less than 100 shares...	2,527	2,185	2,464	7,176
" " 100 to 500.....	156	254	581	991
" " 501 to 1000.....	7	12	54	73
" " more than 1000.....	3	6	63	72
Total.....	5,134	4,141	3,936	13,211

Changes In Funded Debt The funded debt on December 31, 1925 amounted to \$132,049,479, a decrease of \$616,200 since December 31, 1924.

Added:

Mortgage assumed in connection with purchase of real estate at East Cambridge..... \$100,000

Paid Off:

Equipment Trust of 1920, 6% Gold Notes due January 15, 1925..... \$454,200
 Equipment Trust of 1922, 5½% Gold Certificates due August 1, 1925..... 121,000
 Equipment Trust No. 3, 6% Gold Certificates due June 1, 1925..... 141,000 716,200

Net decrease as above..... \$616,200

The funded debt on December 31, 1925, as set forth above includes the following mentioned bonds, which matured during the year but which were not paid off as they are included in the Reorganization Plan and Agreement of September 1, 1925, which provides for their extension for a term of fifteen years from their respective maturities at the uniform rate of 5% per annum:

Boston and Maine Railroad 3½% bonds due February 2, 1925..... \$500,000
 Fitchburg Railroad Company 4% bonds due May 1, 1925..... 3,660,000
 Boston and Lowell Railroad Corporation 3½% bonds due Sept. 1, 1925..... 500,000
 \$4,660,000

Holders of more than 95% of these maturities have already agreed to their extension.

Profit and Loss Account In connection with the changes in Profit and Loss Account, Table No. 4, the following comments are made with reference to the more important items.

Debit Items:

Series "D" bonds purchased with proceeds of a Sinking Fund, \$1,929,000. This was credited to profit and loss in last year's account, and is now transferred to "Funded Debt Retired Through Income and Surplus," a sub-division of Corporate Surplus, as required by the Interstate Commerce Commission.

Loss on sale of stock and bonds of the Montreal and Atlantic Railway Company, \$51,000. This investment consisted of 1,013 shares of stock, and bonds of a face value of \$108,000 which were sold to the Canadian Pacific Railway Company in May, 1925. The stock had been received in exchange for bonds of the Southeastern Railway Company (reorganized as the Montreal and Atlantic Railway Company). The bonds had been received in settlement of amount due from the Southeastern Railway Company for sundry accounts outstanding for many years.

Ledger value of stock of Suncook Valley Railroad \$63,060. This stock was formerly owned by the Concord and Montreal Railroad and received by the Boston and Maine at the time of the consolidation in 1919. (See also item regarding Suncook Valley Railroad Extension.)

Amount due from Montpelier and Wells River Railroad \$153,356.60. This is made up of advances for additions and betterments and for operating deficits. The capital stock of that road is owned by the Boston and Maine Railroad and Vermont Valley Railroad, and deficits have accumulated in recent years. The operation of the road was turned over to a local management on January 1, 1926.

St. Johnsbury & Lake Champlain Railroad Company. The amount of \$1,902,902.39 represents accumulated deficits covering a long term of years. The amount of \$364,987.56 is the ledger value of 7,680 shares of preferred

stock and 31,760 shares of common stock. Most of this stock was acquired through the consolidation of the Boston and Lowell Railroad with the Boston and Maine Railroad. The operation of the St. Johnsbury & Lake Champlain Railroad was transferred to a local management on January 1, 1925.

Charge on account of abandonment of branch lines, \$873,354.78. These lines having been abandoned, the ledger value, less estimated salvage, is charged off the books to meet the requirements of the Interstate Commerce Commission.

Suncook Valley Railroad Extension property, \$79,813.52. This road was built by the Concord & Montreal Railroad, and taken over by the Boston and Maine in the consolidation of 1919. The branch was operated by the Boston and Maine Railroad in connection with the Suncook Valley Railroad, the latter being held under lease. This lease expired by limitation and the property was returned to the Suncook Valley stockholders, leaving the Extension of four and one-half miles in length which the Boston and Maine could not continue to operate without a considerable loss. The property was sold to the Suncook Valley Railroad together with the 630% shares of Suncook Valley Railroad stock for a nominal consideration.

Stock of Nashua & Acton Railroad, less estimated salvage, \$228,934. This road was recently abandoned by authority of the Interstate Commerce Commission. It was acquired under the Concord & Montreal consolidation. The operation of the road for many years resulted in relatively large deficits.

Portsmouth Electric Railway property, \$322,304.50. The operation of this railway has been abandoned, and transportation is now furnished through bus service by the Boston and Maine Transportation Company.

Credit Items:

Profit on Road and Equipment sold, \$246,585.37. This applies largely to the amounts received for sale of real estate in excess of the costs of the properties.

Unexpended net income of Vermont Valley and Sullivan County Railroads, \$1,354,458.84. This represents the accumulated unexpended profits of these roads to December 31, 1924, transferred to the Boston and Maine Railroad in accordance with the provision of the modified contract retroactive to January 1, 1925.

Status of Federal Hearings before the Interstate Commerce Commission in an effort to prove that the Tentative Valuation
Valuation of the property made by the Commission should be materially increased have not yet been completed. Expenditures by the Boston and Maine System up to December 31, 1925, in preparing and furnishing data and continuing records and reports as called for by the Commission itself or its Bureau of Valuation have amounted to \$1,373,133.17.

The Tentative Valuation of the System adjusted to December 31, 1925, is \$282,435,926 as compared with the property investment figure of \$255,843,686 and the outstanding capitalization of \$226,199,370. These figures and the comparable Combined Income Account in Table No. 16 do not include the St. Johnsbury and Lake Champlain Railroad.

The "Net Railway Operating Income" for 1925 amounted to about 4.4% of the Tentative Valuation figure given above.

It is expected that the hearings before the Commission will be completed during 1926.

Interest on Government Loans The bills introduced in Congress at the last session, providing for a reduction in the rate of interest on loans made to the railroads by the government under Sections 207 and 210 of the Transportation Act, having failed of passage, effort is being made in the present Congress to have the debt funded at more favorable terms than the present rate of 6%. Hearings are now being held.

The loan to the Boston and Maine, granted under the Sections referred to, amounts to \$22,735,479, and that under the Federal Control Act to \$25,950,000, the present rate of interest in both instances being 6%.

Status of Branch Line Abandonments In April, 1925, the Interstate Commerce Commission authorized the abandonment of the Nashua and Acton Railroad, extending from Nashua, N. H. to North Acton, Mass. a distance of twenty miles, and the discontinuance of four miles between North Acton and Concord Junction, used under a trackage agreement with the New Haven Railroad. After extended hearings, the Interstate Commerce Commission rendered decisions in October, 1925, covering four lines in Massachusetts and seven lines in New Hampshire. Abandonment was authorized in the case of six lines, involving fifty-seven miles of road. Abandonment was not

permitted in the case of five lines covering ninety-nine miles of road. In the case of the Newburyport Branch, however, thirty miles in length, an understanding was reached (through the offices of the Massachusetts Department of Public Utilities) by which train service, station service and crossing protection were substantially curtailed, and as a result of this experiment in reduced service, operation of this line has been continued.

The unfavorable decision in the case of certain New Hampshire lines appears to have been based largely on public convenience, and the Commission made no definite finding as to the figures of operating losses submitted by the railroad or the counter claims of the opposition.

In September, 1925, the Boston and Maine filed six additional applications for abandonment, all of which are now pending, with the exception of that covering the Lakeport Branch in New Hampshire. In that case the communities along the line organized committees and after extended conferences with the railroad, agreement was reached by which petition to abandon was withdrawn and the communities agreed to support certain curtailments in train and station service with a view to reducing the loss incurred in the operation of this line. The changes covered by this arrangement were upheld by the New Hampshire Public Service Commission.

With highway conditions being constantly improved, it is believed that some lines which today are considered necessary by communities, can be replaced eventually by motor transportation with substantial economy, and with better service. This situation will be dealt with from time to time as the circumstances warrant.

The Interstate Commerce Commission, after considering one group of applications for abandonment of unprofitable branch lines which have been a burden to the Boston and Maine system, made observations which are important in any consideration of the subject.

"Applications similar to these have come to us from every section of the United States," it was stated by the Commission which referred to these applications as apparently "one of the many indications of disturbance resulting from the advent of the automobile and other new industrial forces. The steam railroad," it was added "is laboring under conditions which resemble in certain respects those encountered by the stage coach when the steam railroad came into the field.

"It will be admitted that people are entitled to the best and cheapest transportation they can get, and that they themselves must decide what is best and what is cheapest, all things considered. If people prefer to tax themselves to build great highways and to use commercial trucks and passenger vehicles in preference to the steam railroad, they have a right to their decision, but they must also assume the responsibilities, with the attendant consequences, of that decision.

"The people of New England understand the importance to them of the Boston and Maine Railroad. This railroad and the people it serves are peculiarly interdependent and in these abandonment cases there must be kept constantly in view the necessity for the preservation of as much as possible of the present mileage in the service of the greatest number of the people.

"The evidence seems to be conclusive that not a few of the lines which it is now proposed to abandon should never have been built. Under present conditions they would not be built. At the time of their projection as independent enterprises it seems to have been understood that some of them were built for purely competitive or strategic reasons."

The Commission said that irrespective of the origin of an existing line, people gather about it and abandonment brings about hardships, in some instances very great, and in other cases negligible.

"The important thing," however, the Commission held, "is the vitality of the present Boston and Maine system. Not only New Hampshire but all New England needs that system. The serious and difficult problem is how to sustain both the railroad system and New England territory as a whole without undue hardship on particular territories.

"Benefits to the system of particular abandonments must be weighed against the inconveniences and losses which those abandonments will inflict upon the communities immediately affected. Benefits to particular communities of continued operation must be weighed against the burdens and retarding effect of such operation upon the development of the Boston and Maine system as a whole. . . .

"It is evident that the road must not be deprived of any legitimate and proper means of improving its present financial condition to the end that it may efficiently serve the public and protect the interest of those who have invested in its securities. It is to the advantage of all the people that its credit should be improved."

The present status of abandonment applications is indicated by the following statement:

**STATUS OF ABANDONMENT PROCEEDINGS
BROUGHT UNDER THE TRANSPORTATION ACT**

	MILEAGE				Total Applied For
	Granted	Refused	Compromised	Pending	
Profile Branch.....	9				9
Waumbek Branch.....	3				3
Orchard Beach Branch.....	4				4
Nashua & Acton R. R.....	24				24
Newburyport Branch.....			30		30
Lawrence Branch.....	15				15
South Reading Branch.....	8				8
Lines near Tewksbury.....	9				9
North Weare Branch.....		23			23
New Boston R. R.....		5			5
Manchester & Milford Branch.....	18				18
Keene Branch (Portion).....		30			30
Peterborough R. R.....		11			11
Belmont Branch.....	4				4
Bethlehem Branch.....	3				3
Lakeport Branch.....			35		35
Kennebunkport Branch.....				4	4
Ashburnham Branch.....				3	3
Essex Branch.....				6	6
Bedford-Billerica Branch.....				8	8
Reformatory Branch.....				7	7
Total.....	97	69	65	28	259

Local Management for Certain New Hampshire and Vermont Lines In the Annual Report for 1924 reference was made to the changed status of the Suncook Valley Railroad in New Hampshire and the St. Johnsbury and Lake Champlain Railroad in Vermont. The lease of the Suncook Valley having terminated, operation of the property was assumed by the local officers of that Company on September 28th, 1924. The Boston and Maine has cooperated in furnishing equipment, supplies and other facilities without profit, and has in every way endeavored to assist the local management in continuing operation of the property successfully. Results for 1925, the first full calendar year of operation, show a small balance after taxes, as compared with substantial losses in recent years.

The St. Johnsbury and Lake Champlain Railroad in Vermont, although a separate property, had for many years been operated by the Boston and Maine. On January 1, 1925 all representatives of the Boston and Maine withdrew from the Board of Directors and management of the line, and this road has since been operated by a Board of Directors consisting entirely of citizens of Vermont. The results of operation for the year 1925 show a deficit of \$71,677 after interest charges, as compared with a deficit of \$130,456 in 1924. This improvement was accomplished in spite of a reduction in gross revenues of \$50,577.

In the case of both of these properties the improvement has been brought about partly by the cooperation of the communities served in accepting readjustments of service, but a substantial portion of the economies effected has resulted from reductions of wages from the standard rates in effect on the larger railroad systems and from changes in working conditions. While it cannot be said that these reductions have been welcomed, the employees have apparently realized that the only hope of continuing operation on these lines lies in adjusting expenses to a point where the lines will be practically self-supporting.

Two other Vermont lines, the Montpelier and Wells River and Barre and Chelsea Railroads, also separate properties, were taken over by a local Vermont management on January 1, 1926, and efforts are being made to continue the operation of these lines at a minimum cost with the cooperation of the communities served.

In connection with the consideration of local operation of railroad lines formerly operated as a part of a large railroad, it is pertinent to quote recent statements of Mr. F. W. Sargeant, President of the Suncook Valley Railroad, as follows:

"Because the Suncook Valley was able to continue to run a railroad train, furnished by a friendly road, over its irons and pay running expenses for a year is no criterion or guarantee that these lines have permanently demonstrated the wonderful success of short line roads, possible under private management. It is needless for me to discuss this question with you because you must know that the success of the Suncook Valley for that first year was limited to its ability to operate the road from income, and there could not be any opportunity of providing for reserves and contingencies.

"We are still mighty far from being able to provide, except in a small way, for the necessary reserves and even then, what is the future of the road? All we can see is, there is a possibility of the short line road continuing only so long as the community served will put up with the very simple and most ordinary railroad service, operated by employees who are willing to work at the prevailing daily wage paid by that same community in other lines of business, and after that, the cooperation and assistance in helping over the rough places; for instance, when we have a winter with a very heavy snowfall, putting up now and then without railroad service, for a day or so. When we meet with some unusual conditions, something we have no control over and fail to come forward with very material outlay and expense, then the community must be patient and generous in their treatment of the situation, and then accept only what the road can afford to furnish, based on this economical and simple policy."

Freight and Passenger Traffic—The freight revenues increased 4.7% over previous year, the tonnage increasing 4.9% and the ton miles increasing 3.5%. This is in step with the increase of 4.7% in freight revenues for the railroads generally.

The passenger revenues decreased 7.0% from the previous year as compared with a decrease of only 1.9% for railroads generally.

The decline in the number of passengers carried one mile by the steam railways between 1920 and 1925, according to a statement by the editor of the *Railway Age* in a recent address, was about 25% of the total business, and he added that the passenger business of the western lines is now less than it was fifteen years ago, while that of the eastern and southern roads has declined to what it was eight years ago.

On the Boston and Maine, following a steady decline since 1920, the number of passengers carried in 1925 was less than in any other year since 1901 when the Fitchburg Railroad was leased. There was some increase in the length of the average journey so that the loss, when measured in passenger miles, is not quite so severe, but the passenger miles for 1925 were lower than in any year since 1905.

Comparing 1925 with 1924, the total number of passengers decreased 7.9%, the decrease in the number of commutation passengers amounting to 6.6%, the number of single trip passengers decreasing 11.6%; and the number of interline passengers decreasing only 0.5%. The average journey of all passengers increased to 20.06 miles from 19.59 in previous year, or 2.4%, so that the loss in total passenger miles amounted to about 5.6%.

Efforts to stimulate renewed travel by train have been made in several directions. Passenger trains have been speeded up, and this policy as applied to the schedules in 1925 is being extended in the schedules now under preparation for the change of time coincident with daylight saving. The "Pine Tree Limited" was inaugurated September 28, 1925, as a fast, one-stop train between Portland and Boston, and return, and its success was followed by its extension from Portland to Bangor, and from Waterville to Portland, by the Maine Central Railroad. As a further step to make travel by rail more popular, a considerable number of excursions were run during the year, with generally satisfactory results.

While it is not possible to reduce the passenger service proportionately to the loss in traffic, efforts have been made to reduce the operating losses, and these efforts include the substitution of rail motor cars and motor buses on the highways for steam rail service.

The annual report of the Department of Public Utilities of Massachusetts for the year ended November 30, 1925, referring to the constantly decreasing revenue in passenger business, and the efforts to meet it, says:

"There are, however, some types of passenger service which cannot be operated economically and satisfactorily even with gasoline rail cars. There are other situations where changed conditions require a supplementary service over the highways in addition to that performed on the rails, to fill intermissions in

rail service, to facilitate through rates and connections with trains, and to afford practicable protection to the passengers during periods of bad weather and heavy freight and passenger movements. These purposes seem legitimate, and there is some force in the argument of the railroads that they ought not unduly (by which we mean with proper regard to the rights of others) be prevented from endeavoring to get back the passengers who patronized them before the recent development of automobiles and highways, particularly in view of the fact that the stockholders of the Boston and Maine and New Haven roads have received no dividends for many years and have, therefore, in effect, devoted their property during that period of time to the public use without any return whatsoever to themselves.

"The railroads are substantial taxpayers of the Commonwealth. Their passenger service is essential to the welfare of Massachusetts, and, if it is to be maintained in a manner and to an extent comparable with the public needs, must be supported in all proper ways."

The New Hampshire Public Service Commission in a decision granting to the Boston and Maine Transportation Company, — which is the automotive auxiliary of the railroad, — the right to operate motor coaches in substitution for passenger service on the Bristol Branch, said that "because of its close relationship with the Boston and Maine Railroad it is, therefore, generally speaking, for the public interest that the bus service in New Hampshire, which has apparently come to stay, should be furnished by the Boston and Maine Transportation Company."

The Commission's order asserted that "The Transportation Company . . . is designated to furnish a service which the people are demanding and which the railroad cannot furnish. In doing so it works in harmony and cooperation with the railroad, taking the place of passenger trains where the traffic is light and where the buses can adequately accommodate the travel, and in other cases supplementing the passenger train service by making train connections so as to better accommodate the traveling public, thereby tending to stimulate and increase travel by train. . . .

"If the State refuses to permit the railroad to furnish the kind of passenger transportation it can afford to furnish, and which the people are demanding, it may well be argued that the railroad should not be required to continue to run passenger trains at a loss. It cannot be expected that the railroad will continue to furnish train service that the people do not use. . . . Evidently the people have reached the point where they insist upon motor as well as train transportation. It is in the public interest that the parties furnishing these two kinds of transportation work in harmony, each furnishing service where it is best adapted to furnish it. . . .

"It is perfectly apparent that the railroad has lost this class of patrons for its trains, and if it can win them back by offering them a kind of service which meets their fancy it should be permitted to do so."

In a decision denying the Maine Motor Coaches, Inc., petition for certificates permitting the operation of motor coaches for hire over regular routes, the State of Maine Public Utilities Commission said that in some cases "it might appear that public service motor cars have entered into such acute and injurious competition with existing utilities, (as steam railroads and electric railways), as to make it seem wise for the railroads and railways themselves, in the interest of the greater public welfare, to be permitted to compete with or to supersede the operators of such public service motor-cars."

The Commission added that if such operators had been permitted to develop a transportation business, and had performed their duties to the public well and adequately, they were entitled to impartial justice.

A recent statement by the National Automobile Chamber of Commerce reported 51 railroads in the United States and Canada to be using motor trucks to supplement their shipping service, as against 33 railroads reported using motor trucks in 1924. Twenty steam railroads or their subsidiaries were reported as owning over 219 motor buses, most of which began to carry passengers on the highways within the last year. In all 190 steam and electric railroads in the United States and Canada were said to be using over 496 gasoline or gas-electric rail motor coaches.

**Boston and
Maine Transportation Company** The Railroad made its first use of the motor bus in September, 1924, when as a matter of operating economy a bus was substituted for rail passenger service on the Ashburnham Branch. It seemed apparent that there was considerable opportunity to use the motor bus to advantage in connection with or in substitution for rail service, and also opportunity to use the motor truck in connection with rail freight service. The Boston and Maine Transportation Company was organized in November, 1924, as the automotive auxiliary of the Railroad for the purpose of carrying on such motor operations as might be found desirable and helpful to the Railroad.

Studies showed that twenty-nine buses could be used to advantage to start with, and this equipment was purchased by the Boston and Maine Railroad in the Spring of 1925 and leased to the Transportation Company. Motor bus service was substituted for electric street cars in Portsmouth, N. H., in May. In June, buses were substituted for rail passenger service on the York Harbor & Beach Railroad between Portsmouth, N. H. and York Beach, Me., with an extension to Wells Beach, Me.

Application was made to the New Hampshire Public Service Commission for permission to operate buses as a supplement to rail service on the Claremont Branch and the Pemigewasset Valley Branch and in substitution for passenger service on the Bristol Branch. These applications were allowed and operations started late in the summer. In July a bus line was started between Boston and Portland to meet competition of other bus lines, and another line instituted between Boston and Bethlehem, N. H.

The Bristol Branch operation is one of the most interesting experiments. Rail passenger service was discontinued except in conjunction with one freight train a day and three bus trips were substituted for the former two passenger trains. The Transportation Company undertook to demonstrate that the highway could be kept open during the snow season by the use of highway snow-plows, and this was done quite satisfactorily during the heavy snows of February, 1926. On this operation the Railroad is making a substantial saving in operating expenses. The Transportation Company is just about earning the cost of providing the bus service and those served are receiving a more frequent service.

Studies show that there are other places where similar results can be accomplished. Details of operation are being worked out, licenses to operate are being secured, and necessary equipment is being purchased, so that another year will show much progress in the matter.

The operation of the Boston and Portland and the Boston and Bethlehem, N. H., lines showed that in the summer there is a considerable number of pleasure riders attracted by this type of bus service.

For the period in which buses were operated in 1925 the earnings were slightly in excess of the cost of providing the service, including interest and depreciation on the equipment used.

These various operations, carried on as experiments to determine the proper field of the bus as an auxiliary to the railroad, have demonstrated that the Railroad can use the bus to advantage as a substitute for trains with light traffic. This substitution makes possible a continuation of service to communities where it would be impossible to continue to furnish rail service without substantial loss. The Railroad effects an economy and in most cases the frequency of service is improved.

In June, 1925, the Transportation Company inaugurated motor truck service as indicated in the following paragraph.

Motor Truck Competition Pursuant to its policy of meeting motor truck competition where practicable and economic to do so, the management inaugurated on June 1st a "store-door delivery" service at Boston, Lowell and Lawrence, and "door-to-door" truck service between Boston and Lowell and between Boston and Lawrence. The actual trucking operations were assigned to established local firms so as to effect a real coordination of motor and rail, rather than to enter into a competition which would result in increased cost and highway congestion. These trucking concerns operate under contract with the Boston and Maine Transportation Company.

Motor Rail Cars While the development of gasoline motor cars for passenger transportation on the rails cannot be said to have passed beyond the experimental stage, the economies as compared with steam service have appeared to be sufficient to justify a substantial investment in this type of equipment.

The Boston and Maine now has in service thirteen gasoline rail passenger cars of which eight are mechanically driven and five are of the gas-electric type. Eleven additional cars are now under order — all of the gas-electric type.

These cars are being operated on both main lines and branches, the following runs being indicative of the service to which they are believed to be adapted: Boston-Northampton, North Adams-Troy, Nashua-Worcester, Portland-Rochester, Salem-Lowell, Springfield-Greenfield.

Practically all of these cars are intended to haul an additional car of light construction. Among the cars under order, however, are three with double-end control having a seating capacity of over 90 passengers. These are intended for interurban service at other than rush hours.

While there is a field for the self-propelled passenger car on steam railroads, the scope is by no means universal. The power and capacity of such cars are inadequate to meet the peak requirements of commutation traffic, and in the case of short branch lines with very light traffic, the investment and operating cost are out of all proportion to the revenue. In the former class of traffic, motor rail cars cannot satisfactorily replace steam with the greater capacity of the latter for handling peak loads; in the latter class, the highway bus appears to furnish the economical solution. There is an intermediate field, however, where the passenger traffic does not warrant steam service, and in some instances the introduction of a less expensive substitute may permit of greater frequency of service and result in the retention of traffic which otherwise would be diverted to public or private transportation on the highway.

Value of Improved Transportation Service The increase in transportation efficiency on the Boston and Maine during the past year has been true in varying degree of the railroads generally, and various industries have indicated the money value of this improvement by reason of the reduction in material stocks.

Statements have been made that in certain industries where formerly it had been necessary to anticipate requirements three to six months in advance, it is now possible, because of the prompt and dependable rail transportation, to figure on from 30 to 45 days, and to liquidate the stocks accordingly. It is hardly practicable to measure accurately in dollars and cents the value of the improvement, but the annual saving in interest on inventories due to improved transportation is estimated at many millions of dollars.

Changes in Commodities Transported The effect of the anthracite coal strike which began September 1, 1925, and which was settled only a few weeks ago, was reflected in the tonnage figures.

For the first eight months of the year, or up to the time of the strike, the anthracite coal tonnage showed an increase of more than 7% over the corresponding period of the previous year. Bituminous coal tonnage showed an even larger increase, so that the coal tonnage as a whole was more than 10% higher, whereas the tonnage of commodities other than coal moved during this eight months' period showed an increase of about 5%. During the last four months of the year, while the strike was in effect, the anthracite coal shipments fell off to such an extent that the tonnage amounted to only about one-fourth of that handled in the corresponding four months of 1924. Bituminous coal, however, continued to increase so that for the entire year a reduction in anthracite tonnage of more than 500,000 tons, or nearly 20%, was more than offset by an increase in bituminous shipments. The net result was that the total coal tonnage for the year amounted to 5,002,134, or 1,927 tons more than in the previous year.

This corresponds rather closely to the situation for New England in general. Anthracite shipments into New England declined approximately 2,290,000 tons, or about 21%, from the previous year, but the total coal tonnage of anthracite and bituminous combined decreased about 34,000 tons, or a little more than one-tenth of one percent.

The tonnage other than coal on the Boston and Maine showed an increase for the year of about 6.3%. Had it not been for the anthracite strike, an increase in coal tonnage corresponding with the increase in other commodities might have been expected. However, the increased efficiency in the use of coal on railroad locomotives has been accompanied by similar improved efficiency by public utilities plants, and other large users of coal. In view of this situation there may be a reduction in the proportion of coal tonnage to total tonnage, although some former users of fuel oil have returned to the use of coal, probably because of a change in the relationship between the prices of the two fuels.

On the other hand, there have been some local acquisitions to the users of fuel oil, particularly in new buildings. The commodity item "refined petroleum and its products," which on the Boston and Maine, in 1920 amounted to 2.2% of the total tonnage of all commodities, showed a steady growth to 1923; decreased somewhat in 1924; but in 1925 it again made a new mark of 1,058,964 tons, or 4.5% of the total tonnage.

The tonnage of coke increased noticeably after the anthracite strike became effective, reaching a new high mark in 1925 amounting to 241,291, or 89.2% increase over the year 1924.

Potatoes made another high record amounting to 950,277 tons for 1925, or 20.8% increase over 1924.

Pulpwood reached a new high figure of 451,896 tons, an increase of 21.0% over 1924.

Building materials such as cement, brick and lime have been running heavy, and as compared with the previous year show the cement tonnage to be about the same, with brick increasing 46.2%, and lime increasing 12.0%.

Forest products showed a reduction in "logs, posts and cord wood" of 14.3% and in lumber of 2.5%.

Shipments of fertilizer which amounted to over 200,000 tons in 1920 have been showing a downward tendency, the tonnage in 1924 amounting to 141,416 and in 1925, 125,592 or 11.2% less than previous year.

Textile shipments which in 1923 amounted to approximately 150,000 tons dropped to 126,996 tons in 1924, and amounted to 131,095 tons in 1925.

The tonnage of less than carload shipments has been decreasing. In 1921 such tonnage amounted to about 2,000,000 or 10% of the total of all tonnage. In 1924 it was 1,659,478, or 7.4% of total and in 1925 it was 1,718,838 or 7.3% of total tonnage.

Freight Rate Situation The freight rate structure was not materially changed during the year 1925. A study of the so-called "subnormal" rates" is being made to see if the Boston and Maine can gain the necessary increase in revenues without prejudice to New England industry.

The investigation by the Interstate Commerce Commission of the class rate scale applying between Trunk Line and Central Freight Association and New England territory, as well as within Trunk Line territory, is pending. Hearings have been held at various points throughout the country, generally attended by representatives of this Company.

On January 30, 1925, Congress passed a resolution directing the Interstate Commerce Commission to make a thorough investigation of the rate structure of all common carriers subject to the Interstate Commerce Act. The Interstate Commerce Commission is now conducting this investigation.

Establishment of New England Shippers' Advisory Board On May 1, 1925, the New England Shippers' Advisory Board was created for the purpose of bringing about a closer relationship between the shippers of New England and the railroads which serve them.

Ten other organizations similar to the New England Board have been established throughout the country with the cooperation of the railroads and the Car Service Division of the American Railway Association, resulting in the more effective use of railroad equipment and generally in solving the mutual problems of shippers and carriers. The meetings of the New England Board thus far held have been helpful to an even better understanding, and have offered a means of effecting a real cooperation.

Interesting Employees in the Solicitation of Traffic During the year 1925, an active campaign was conducted to interest all employees of the Company in securing traffic for the Boston and Maine. The results brought to the railroad a considerable amount of business that would not otherwise have been obtained.

Off Line Agencies Experience has fully justified the establishment of off-line traffic agencies, and during the past year additional agencies were opened in Buffalo and in St. Louis.

We have also extended our representation in the State of Maine by establishing at Caribou an agency for service to shippers and for the solicitation of potatoes and lumber.

Port Differential Case In the report for 1924 it was mentioned that the Interstate Commerce Commission had dismissed the complaint of the Maritime Association of the Boston Chamber of Commerce in this case, but had expressed the opinion that the carriers should take steps to equalize the rates on grain and grain products from points west of the Mississippi River and on ex-lake grain from Buffalo moving to North Atlantic Ports.

No action has been taken by our western connections toward equalizing these rates, and the Maritime Association of the Boston Chamber of Commerce has succeeded in having the case reopened with a view of persuading the Interstate Commerce Commission to issue a formal order instructing the carriers to make the adjustment suggested.

Interchangeable Mileage Scrip Books Mention was made in the last annual report that the interchangeable mileage book case was still pending with the Interstate Commerce Commission. The Commission declined the reduction requested.

Proposed Increase in the Rates on Milk and Cream A study of the cost of handling milk and cream by the Boston and Maine Railroad has developed the fact that the handling of this traffic involves a heavy annual operating loss. A study made by other milk-carrying roads in New England has shown a somewhat similar result, and application has been made for a 20% increase in milk and cream rates.

Railway Mail Pay Decision The United States Government appealed the decision of the Interstate Commerce Commission making retroactive to February 25, 1921, the increase of approximately 35% in the rate of mail pay. Upon reconsideration the Interstate Commerce Commission confirmed the decision. The Boston and Maine Railroad thus becomes entitled to about \$800,000, and an effort is being made to secure this amount from the Government.

The Boston and Maine and other New England lines also have pending with the Interstate Commerce Commission an application filed May 6, 1925, asking that the rates of mail pay be further increased, studies having shown that present rates still fail to provide adequate compensation.

Taxes In a year when the railroad was able to reduce its expenditures in many directions, there was an increase of \$75,217 in tax accruals. This was mainly on account of additional Federal taxes, a part of which applied to prior years. An attempt to levy upon the railroad income taxes upon the normal 2% tax paid by the Director General to the Government while the railroad was under Federal control, under the theory that such payment was additional income to the railroad, was decided against the Government. This saved the railroad approximately \$23,000. Other contested items as yet unsettled involve an amount of approximately \$650,000.

The railroad was successful in obtaining a considerable reduction in its tax valuation in the State of New Hampshire, but an increase in the rate of taxation resulted in a tax bill against the railroad about \$32,000 higher than the amount paid in the previous year. A petition has been filed for a re-hearing.

It has been deemed necessary to renew efforts to obtain reduction of tax values upon the terminal property in the cities of Boston and Somerville, Massachusetts. The 1925 tax bill of the City of Boston against the railroad amounted to \$615,998.37 upon a valuation of \$23,071,100, with a tax rate of \$26.70 per \$1000, and in Somerville the railroad was taxed \$168,696.32 upon a valuation of \$6,156,800, at a rate of \$27.40 per \$1000.

The proposed modification of the basis of tax assessment against the railroad in the State of Maine so as to incorporate the factor of net earnings, of which mention was made in last year's report, reached a stage where a bill embodying the change was passed by the State Legislature, but a veto by the Governor was sustained.

New Industries Your organization has been actively engaged not only in obtaining the business which is available from present industries, but also in establishing on our lines new industries which will contribute to the growth and development of communities, and add to the available sources of business.

To the Ford Motor Company's \$4,000,000 assembly plant, now in process of construction on the Mystic River front at East Somerville, Mass., which was referred to in the last annual report, have been added several other substantial industries.

A large modern lumber terminal was brought to our lines on property at Charlestown, Mass. where the Wiggin Terminals, Inc., is building a \$2,500,000 plant which will be the largest public lumber terminal on the Atlantic seaboard. It will be served exclusively by the rail facilities of the Boston and Maine Railroad.

This terminal is expected to bring to the railroad an increasing amount of Pacific Coast lumber which moves through the Panama Canal. The terminal will also be equipped to handle other Pacific Coast products, including canned goods and wool, as well as trans-shipments from the Orient.

Negotiations with the First National Stores, Inc., with a view to locating their proposed \$2,000,000 warehouse, factory and distributing plant on property adjacent to the Ford Plant at East Somerville have been advanced to the point of an option by them on the property. If this option is exercised, it is expected construction will start by Spring. The consummation of this proposition should result in a further material increase in the tonnage and revenue of the railroad.

Sales of Real Estate In addition to the sales of real estate not needed for railroad purposes which, as stated in last year's report, amounted to \$2,176,000 during the period 1920 to 1924, further sales were made in 1925 to the amount of about \$544,000. In several instances the land thus released was intended for industrial development, with consequent benefits to the communities and to the railroad. On the other hand, purchases of land needed for railroad purposes were made during the year to the amount of about \$287,000.

Wages and Employee Relations Several requests have been received from labor organizations for increased rates of pay. A new wage movement is being started for the restoration of the war-time peak rates or higher rates. It has been estimated that to restore to all employees the wage scales in effect in 1920 would increase the payrolls of the railroads of the country by about \$500,000,000 annually. An increase such as is proposed

would add approximately seven to eight millions to the payroll of the Boston and Maine. Heretofore these matters have been handled under the labor provisions of the Transportation Act.

That Act, under Title III, established the United States Railroad Labor Board, for the hearing and deciding of disputes between the carriers and their employees. In the judgment of most railroad executives this Board, while always a subject of controversy, served a useful and steadying purpose through a difficult period of transportation readjustments. It has been the policy of your management to comply in spirit and in letter with its decisions in matters properly before it in which we were concerned.

Nevertheless, the attempt to set up, in effect, a form of governmental compulsory arbitration in labor relations soon developed the usual serious difficulties. The authority of the Board was uncertain, and the United States Supreme Court has affirmed the fact that the Transportation Act gave the Board no power to enforce its decisions. In the light of experience, it is believed doubtful if in any event such power could be exercised without consequences more serious than the possible immediate gain. The leading organizations of railroad employees have reserved the right to accept or reject decisions of the Board, and there has been lack of accord among the managements themselves, both as to its jurisdiction and its usefulness.

It became apparent that a situation could not permanently endure in which some of the railroads voluntarily assumed the obligation to accept an authority denied by other roads, as well as by a large majority of the employees. Under these circumstances it appeared probable that the Labor Board would be substantially without power to influence helpfully any future difficulties of major importance that might arise.

In consequence, within the last two years various substitutes have been proposed. President Coolidge, in his annual message to Congress on December 6, 1923, said:

"The Labor Board was established to protect the public in the enjoyment of continuous service by attempting to insure justice between the companies and their employees. It has been a great help, but it is not altogether satisfactory to the public, the employees or the companies. If a substantial agreement can be reached among the groups interested there should be no hesitation in enacting such agreement into law."

The Howell-Barkley Bill, actively pressed in the last session of Congress, contained features regarded by the railroad managements generally, and by a large section of the public, as unwise and dangerous. Another and materially different plan, embodied in a bill before the present Congress, has received the approval of a large majority of the railroad executives, as well as representatives of the leading Brotherhoods of railroad employees.

This measure, approved in principle by the President in his last annual message, provides for successive stages of conference, adjustment boards, intervention if necessary by a permanent board of mediation, voluntary arbitration, with awards having the force of court decrees, and, as a last resort, investigation and report within thirty days by a special commission of public representatives, to be appointed by the President when the emergency is deemed sufficiently serious. Until thirty days after the report of such commission, both parties are required to maintain the "status-quo," except by mutual agreement.

Your management was in accord with managements represented by the other executives favoring this measure as the best practicable plan obtainable under existing conditions. While it does not prohibit, and cannot positively prevent strikes, it is not unreasonable to expect that it will reduce occasion for strikes or likelihood of their occurrence. The important feature of adjustment boards, to facilitate settlements on grievances and rule interpretations, directly between managements and their own employees, has had the approval of your management for some time, through its participation in the Eastern train service board of adjustment, meeting in New York, as well as in the creation of a joint adjustment board, in successful operation during the past two years, with our clerical employees. Steps are being taken at the present time for the establishing of a similar board with the Boston and Maine Mechanical Employees Association.

With the enactment of this bill, it will become the duty of managements and employees alike to accept its provisions in good faith, and with a determination to exhaust every resource of the facilities thus provided for the adjustment of differences upon a just and reasonable basis, without interruption of the continuous transportation service to which the public is entitled.

Pensions Pension payments for the year amounted to \$254,932.75. There were added to the roll 100 names, and removed on account of death 64 names, leaving the number of pensioners 533 as of December 31, 1925, the average age being 73 years, 5 months, and the average monthly pension \$42.38.

Pension payments have in recent years become an established practice on the majority of American railroads, and in the judgment of managements generally they have been justified both on grounds of human consideration and of definite returns in loyalty and morale. It is becoming increasingly apparent that the basis of all pension systems as thus far conducted is economically unsound in failing to make adequate provision for the future obligations assumed. The problem of continuing pensions either on the present basis or under a contributory plan, and with proper reserve and funding provisions, is exceptionally difficult on a property which has for a considerable period made no return to its stockholders, and which at the present time is again passing through a period of financial reorganization. An inquiry on the general subject is now being made and when more complete information than is now available is at hand decision as to future policies will then be possible.

Material and Supplies The investment in material and supplies had been reduced more than a million dollars from December 31, 1923, to December 31, 1924, and during 1925 there was a further reduction of nearly \$2,000,000, the balance December 31, 1925 being \$6,664,664 as compared with \$9,699,835 two years earlier.

Reduced prices, particularly for locomotive fuel, contributed to this favorable change, as have improved freight service in deliveries, and improved supervision.

This situation has been a factor in the addition to the cash balance, because the railroad, like many industries, has been able to fill some of the requirements for supplies without the necessity of replenishing stock to the same extent as in the past.

Automatic Train Control The orders of the Interstate Commerce Commission as to the application of automatic train control on the Boston and Maine have been modified from time to time with the result that at present the road is required to complete an installation between Boston and Greenfield prior to July 18, 1926. The Commission has indefinitely suspended the effective date of its order covering the line between Greenfield and Troy. Material for the installation from Boston to Greenfield is under order and every effort will be made to comply with the requirement of the Commission. The expense of this installation will be between \$500,000 and \$600,000.

Automatic Protection on Highway Crossings During the past year the possibilities of installing automatic signals at highway crossings in place of human flagmen have been actively progressed with public authorities. In the course of the year, 28 signals of the audible and visible type have been installed at a total cost of \$69,557. Of this total, 19 units replaced human flagmen and accomplished an annual payroll saving of approximately \$35,000. There were in service on January 1, 1926, 124 combined wig-wag, flasher and bell signals, 50 flasher and bell signals, 3 illuminated sign and bell signals, and 157 bells only.

Rapid Transit—Metropolitan District There have been no noteworthy developments during the year in the scheme of the Division of Metropolitan Planning covering extension of rapid transit through Somerville and Cambridge to Massachusetts Avenue, North Cambridge, as noted in the Annual Report for 1924.

The Division of Metropolitan Planning has been continuing such studies and has asked for an extension of time for another year before making report.

Lease to the Canadian Pacific Railway Company A tentative agreement, subject to approval by the Interstate Commerce Commission, has been entered into with the Canadian Pacific Railway Company for the lease and operation of that portion of the line under lease from the Connecticut & Passumpsic Rivers Railroad Company to the Boston and Maine, between Wells River, Vermont, and the International Boundary of Canada, on terms (6% on valuation, plus taxes) which are regarded as favorable to both interests.

A draft lease approved by the Board of Directors has been filed, with an application for its approval, with the Interstate Commerce Commission.

A hearing has been held by the Commission on the application, and a decision is expected shortly.

The lease and operation by the Canadian Pacific Railway, through the Quebec Central, of the Massawippi Valley Railway Company (entirely in the Dominion of Canada) under lease to the Connecticut & Passumpsic Rivers Railroad Company, which lease was assigned to the Boston and Maine, will later be made on similar terms.

Locomotive Shops at Concord, N.H. The Attorney General of New Hampshire, acting on behalf of the State, filed an Information in the Superior Court of Merrimack County, alleging that the Railroad was violating the laws of the State by failing to comply with the provisions of Section 12 of Chapter 367 of the Laws of 1917, the Consolidation Act, so-called, which Section reads as follows:

SECTION 12. It will be a condition to the exercise of the rights, privileges and franchises granted herein that the repair and construction shops within this state maintained by the Boston & Maine Railroad, or any of the subsidiary companies, shall not be discontinued, or the number of employees thereat materially diminished and that a proportionate part of the repair and construction work of the reorganized Boston & Maine Railroad or the new corporation if formed shall be done within this state, such proportionate part to be based upon the relation between locomotive and car miles operated within this state and upon the system as a whole.

The Attorney General's action followed the closing of the locomotive shops at Concord, from which classified repair work was transferred to Billerica. The change was made solely in the interests of economy and efficiency and has resulted in material saving of expenses, and in increased efficiency.

An answer has been filed on behalf of the Railroad, which raises the question whether, in view of the provisions of the statute as a whole, this section was meant as a mandatory requirement capable of judicial enforcement, regardless of future conditions and requirements of efficient railroad operation, and alleging that if interpreted as mandatory the statute is illegal and invalid, as inconsistent with public policy generally, and in conflict with the provisions of the Transportation Act, which requires economic and efficient operation of carriers.

Further work of investigation is being carried on on behalf of the State and as yet there has been no hearing before the Superior Court.

American Railway Express Contract Pending the result of an investigation which is now being made by a committee representing the railroads that are parties to the Uniform Contract with the American Railway Express Company, the terminating date of the contract has been extended one year to February 28, 1929, with an extension also of one year to March 1, 1927 of the time within which the railroads will have the option of giving notice terminating the contract as of August 31, 1927 by taking over the express property at its depreciated value on that date. A similar extension was made in a provision permitting the Express Company to terminate the contract as of August 31, 1927, which option may now be exercised up to April 1, 1927. The investigation, of which mention is made, refers to an attempt to coordinate the activities of the express, parcel post and less-than-carload freight traffic, and to effect an arrangement whereby the present express operations which are resulting in a loss to the railroads may be placed upon a supporting basis.

Contract for Locomotive Coal Island Creek coal having been used successfully by the Boston and Maine for several years, and after further exhaustive tests of this and other coal, a contract was entered into with C.H. Sprague & Son, for the delivery of 900,000 tons of this coal during the twelve months from April 1, 1926, the contract providing that certain options may be exercised during a further period of four years.

Proprietors of the Connecticut River Bridge Through a charter, dated 1796, a toll bridge was erected across the Connecticut River at Montague, Mass. in 1802. In 1867 this bridge was acquired by the Vermont & Massachusetts Railroad, at present leased to the Boston and Maine. In 1871 the bridge was reconstructed, the lower portion being used for a highway, and the upper portion by the railroad connecting Turners Falls with the main line. The continued use of the bridge by the railroad being such at the present time as to require extensive repairs, or rebuilding, at a large expense, your management has entered into negotiations with the public authorities for the transferring of the bridge to the County of Franklin. In the meantime a tentative agreement has been reached with The New York, New Haven & Hartford Railroad Company for the joint permanent use of the New Haven's tracks from a connection at the west end of East Deerfield yard to the tracks of the Boston and Maine at Turners Falls.

Railroad Consolidations In the Transportation Act of 1920 the Interstate Commerce Commission was instructed to prepare a plan for consolidating the railroads of the country into a limited number of systems. A tentative plan was published in August, 1921, but no final plan as provided in the Act has been announced.

The Commission has recently recommended to Congress a repeal of the present requirement that a consolidation plan be prepared in advance, and has suggested enactment of legislation which would leave the railroads free to work out their own plans subject to review by the Commission as to whether such consolidations as the railroads

thereafter proposed would be in the public interest. There are also other proposals before Congress for amending the present law on this subject.

Final Discharge of Receiver By an order entered in the United States District Court for the District of Massachusetts, dated May 4th, 1925, James H. Hustis, who had been appointed Temporary Receiver, August 29, 1916, was finally discharged and released from all further duties, liabilities and responsibilities as receiver and his bond and the surety thereon released from all further liability.

He was also discharged in the ancillary proceedings in the United States District Court for the Northern District of New York on June 24th, 1925.

Retirement of Mr. Folsom Harley E. Folsom, General Superintendent, Second District, resigned on September 1, 1925, after a continuous service of 55 years with this Company and with its subsidiaries. For half a century, Mr. Folsom held important official positions, beginning with the superintendency of the Connecticut and Passumpsic Rivers Railroad at Lyndonville on September 1, 1875, and his record in this respect is believed to be unique in the history of the railroads of the country.

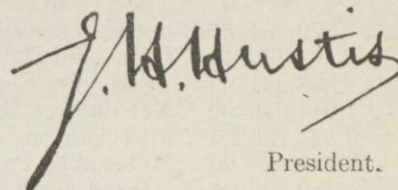
Mr. Folsom, in addition to his strictly operating duties, served on the Boards of Directors of several important Vermont lines, now or formerly subsidiary to the Boston and Maine, and in addition was President of the Connecticut and Passumpsic Rivers, of the St. Johnsbury and Lake Champlain, and of the Vermont Valley Railroads.

The Board of Directors in accepting his resignation adopted a resolution of appreciation of his long and honorable service, and directed that his name should be carried on the pay rolls as Retired General Superintendent.

Frank A. Merrill, Chief Engineer, died on December 21, 1925. He had been Chief Engineer of the Concord Railroad from 1885 to 1890; Chief Engineer of the Concord and Montreal Railroad until 1895, when that railroad was leased to the Boston and Maine; and thereafter in the continuous service of this property.

Recognition The Board of Directors again desires to express its appreciation to the officers and employees whose interest and cooperation have made possible the continued improvement in the operation of the property.

By authority of the Board of Directors,



President.

March 9, 1926.

No. 1

CONDENSED GENERAL BALANCE SHEET

ASSETS

December 31, 1924		December 31, 1925
	ROAD AND EQUIPMENT	
\$158,574,608 94	Investment in Road.....	\$157,913,380 39
54,391,318 14	Investment in Equipment*.....	53,748,203 91
\$212,965,927 08	..... <i>Total</i>	\$211,661,584 30
†7,729,774 82	..... IMPROVEMENTS ON LEASED RAILWAY PROPERTY	†7,770,999 07
	SINKING FUND	
	\$2,463,500 00 Boston and Maine R.R. Bonds—Par Value. **\$2,603,500 00	
	29,000 00 “ “ “ “ Stocks “ “ ... 29,000 00	
	255,665 83 Cost of Other Securities and Cash..... 255,085 32	
2,748,165 83	..... <i>Total (see Table No. 15)</i>	2,887,585 32
301,010 70	..... DEPOSITS IN LIEU OF MORTGAGED PROPERTY SOLD	116,280 14
	MISCELLANEOUS PHYSICAL PROPERTY	
87,138 78	Real Estate, etc.....	595,402 41
	INVESTMENTS IN AFFILIATED COMPANIES (per Table No. 9)	
	\$2,469,597 87..... Stocks..... \$1,800,610 31	
	1,272,000 00..... Bonds..... 1,272,000 00	
	3,254,300 25..... Notes..... 2,300,542 70	
	111,183 76..... Advances..... 17,894 44	
7,107,081 88	..... <i>Total</i>	5,391,047 45
	OTHER INVESTMENTS (per Table No. 9)	
	\$188,020 00..... Stocks..... \$81,960 00	
	108,200 00..... Bonds..... 200 00	
	10,000 00..... Notes..... 5,000 00	
	156,383 98..... Advances..... 157,675 31	
	—..... Miscellaneous..... 4,069,771 44	
462,603 98	..... <i>Total</i>	4,314,606 75
\$231,401,703 07	..... <i>Total Investments</i>	\$232,737,505 44
	CURRENT ASSETS	
\$4,647,576 48	Cash.....	\$4,448,319 70
651,235 77	Cash in Transit — Agents' Remittances.....	752,804 21
—	Time Drafts and Deposits.....	1,140,000 00
870,251 66	Special Deposits.....	7,383 34
439 47	Loans and Bills Receivable.....	2,480,529 17
338,291 69	Traffic and Car Service Balances Receivable.....	421,887 88
1,014,070 09	Net Balance Receivable from Agents and Conductors.....	916,876 35
3,323,736 74	Miscellaneous Accounts Receivable.....	2,463,421 23
8,582,925 63	Material and Supplies.....	6,664,664 38
112,830 25	Interest and Dividends Receivable.....	72,275 58
\$19,541,357 78	..... <i>Total Current Assets</i>	\$19,368,161 84
	DEFERRED ASSETS	
\$109,650 94	Working Fund Advances.....	\$105,993 86
12,723 75	Insurance and Other Funds (per Table No. 9).....	12,723 75
820,149 83	Other Deferred Assets.....	789,027 45
\$942,524 52	..... <i>Total Deferred Assets</i>	\$907,745 06
	UNADJUSTED DEBITS	
\$114,903 27	Insurance Premiums Paid in Advance.....	\$116,879 00
592,124 20	Discount on Funded Debt.....	506,219 42
507,140 27	Other Unadjusted Debits.....	352,015 16
37,900 00	Securities Issued or Assumed — Unpledged.....	38,900 00
\$1,252,067 74	..... <i>Total Unadjusted Debits</i>	\$1,014,013 58
\$253,137,653 11	..... <i>Grand Total</i>	\$254,027,425 92

* Includes \$12,705,425.38 representing equipment acquired under Equipment Trust Agreements but does not include equipment acquired from Leased Roads at inception of Leases appraised at \$1,792,321.78.

** The Bonds and Stocks of the Boston and Maine Railroad purchased by the Trustee of Sinking Fund for Redemption of Improvement Bonds due 1937, at a cost of \$2,202,442.46 are reported above at par (Bonds \$2,603,500 and Stocks \$29,000) in compliance with the rule of the Interstate Commerce Commission.

† Does not include improvements on property of affiliated companies nor on leased roads when leases provide for current settlement.

No. 1
CONDENSED GENERAL BALANCE SHEET
LIABILITIES

December 31, 1924		December 31, 1925
CAPITAL STOCK		
\$39,505,100 00	Common Stock — 395,051 Shares.....	\$39,505,100 00
290 70	Common Stock — Scrip.....	290 70
\$39,505,390 70	.....<i>Total Common Stock</i>	\$39,505,390 70
3,149,800 00	Preferred Stock — 31,498 Shares.....	3,149,800 00
38,817,900 00	First Preferred Stock — 388,179 Shares.....	38,817,900 00
\$81,473,090 70	.....<i>Total Capital Stock (per Table No. 10)</i>	\$81,473,090 70
4,200,301 14	Premiums on Common Stock.....	4,200,301 14
\$85,673,391 84	.....<i>Total Capital Stock and Premiums</i>	\$85,673,391 84
LONG TERM DEBT		
	Funded Debt Unmatured (<i>per Table No. 10</i>).....	
\$130,203,179 00	.....Held by the Public.....	\$124,826,979 00
2,463,500 00	.....Held in Sinking Fund.....	*2,562,500 00
\$132,666,679 00	.....<i>Total Long Term Debt</i>	\$127,389,479 00
1,469,110 97	Nonnegotiable Debt to Affiliated Companies.....	—
\$134,135,789 97	.....<i>Total</i>	\$127,389,479 00
CURRENT LIABILITIES		
\$3,182,033 63	Traffic and Car Service Balances Payable.....	\$3,142,171 27
3,377,455 69	Audited Accounts and Wages Payable.....	2,590,177 28
334,995 00	Miscellaneous Accounts Payable.....	322,530 42
1,595,597 00	Interest Matured Unpaid.....	1,584,368 23
17,505 17	Dividends Matured Unpaid.....	17,134 00
5,300 00	Funded Debt Matured Unpaid.....	* 4,663,300 00
911,133 20	Unmatured Interest Accrued.....	905,981 46
114,124 17	Unmatured Rents Accrued.....	182,354 17
\$9,538,143 86	.....<i>Total Current Liabilities</i>	\$13,408,016 83
DEFERRED LIABILITIES		
\$209,988 70	Due to Leased Roads at Expiration of Leases.....	\$209,988 70
141,394 17	Other Deferred Liabilities.....	—
\$351,382 87	.....<i>Total Deferred Liabilities</i>	\$209,988 70
UNADJUSTED CREDITS		
Dr. \$493,903 73	Tax Liability.....	Dr. \$369,165 31
117,351 89	Premium on Funded Debt.....	84,540 09
13,740,007 21	Accrued Depreciation — Equipment.....	14,715,410 88
—	Accrued Depreciation—Misc. Physical Property.....	22,435 02
425,174 64	Other Unadjusted Credits.....	335,895 45
\$13,788,630 01	.....<i>Total Unadjusted Credits</i>	\$14,789,116 13
CORPORATE SURPLUS		
\$3,557,240 97	Additions to Property through Income since June 30, 1907.....	\$4,365,040 47
—	Funded Debt retired through Income and Surplus.....	1,929,000 00
2,796,631 66	Sinking Fund Reserves.....	2,968,549 48
\$6,353,872 63	.....<i>Total Appropriated Surplus</i>	\$9,262,589 95
3,296,441 93	Profit and Loss — Balance (<i>per Table No. 4</i>).....	3,294,843 47
\$9,650,314 56	.....<i>Total Corporate Surplus</i>	\$12,557,433 42
\$253,137,653 11	.....<i>Grand Total</i>	\$254,027,425 92
Contingent Liabilities \$4,528,000.00 — (<i>per Table No. 3</i>)		

*\$4,660,000 matured in 1925, but were not refunded pending consummation of reorganization plan. Of this amount \$41,000 is held by Trustee of Sinking Fund.

No. 2

INCOME ACCOUNT

YEAR ENDED DECEMBER 31, 1925, COMPARED WITH PREVIOUS YEAR
(INCLUDING VERMONT VALLEY AND SULLIVAN COUNTY RAILROADS)

	Year ended December 31, 1925	Year ended December 31, 1924	Increase	Decrease
TRANSPORTATION REVENUE—RAIL LINE:				
Freight.....	\$51,422,292 40	\$49,106,133 18	\$2,316,159 22	
Passenger.....	20,213,911 26	21,740,826 74		\$1,526,915 48
Excess Baggage.....	55,171 99	56,885 59		1,713 60
Mail.....	1,311,212 80	1,330,483 54		19,270 74
Express.....	3,126,301 01	2,896,485 46	229,815 55	
Other Passenger Train.....	245,466 28	238,023 44	7,442 84	
Milk.....	2,190,550 73	2,139,473 18	51,077 55	
Switching.....	824,834 49	789,363 00	35,471 49	
Special Service Train.....	102,516 95	98,753 32	3,763 63	
Other Freight Train.....	41,442 84	895 67	40,547 17	
<i>Total Transportation Revenue—Rail Line...</i>	<i>\$79,533,700 75</i>	<i>\$78,397,323 12</i>	<i>\$1,136,377 63</i>	
INCIDENTAL REVENUE:				
Dining and Buffet.....	\$125,744 44	\$119,041 11	\$6,703 33	
Station and Train Privileges.....	314,092 26	312,303 94	1,788 32	
Parcel Room.....	46,205 76	50,057 90		\$3,852 14
Storage—Freight.....	91,740 50	116,721 42		24,980 92
Storage—Baggage.....	18,491 91	21,198 16		2,706 25
Demurrage.....	480,369 88	456,568 83	23,801 05	
Telegraph and Telephone.....	41,429 71	40,038 61	1,391 10	
Grain Elevators.....	77,620 51	38,856 91	38,763 60	
Power.....	31,173 82	35,078 77		3,904 95
Rents of Buildings and Other Property.....	391,178 14	390,755 06	423 08	
Coal Discharging Plants.....	155,958 12	195,198 90		39,240 78
Miscellaneous.....	314,196 96	307,153 57	7,043 39	
<i>Total Incidental Revenues.....</i>	<i>\$2,088,202 01</i>	<i>\$2,082,973 18</i>	<i>\$5,228 83</i>	
Joint Facility—Cr.....	\$10,804 48	\$9,747 11	\$1,057 37	
Joint Facility—Dr.....	3,943 74	3,331 95	611 79	
<i>Total Joint Facility—Operating Revenue...</i>	<i>\$6,860 74</i>	<i>\$6,415 16</i>	<i>\$445 58</i>	
<i>Total Operating Revenues.....</i>	<i>\$81,628,763 50</i>	<i>\$80,486,711 46</i>	<i>\$1,142,052 04</i>	
OPERATING EXPENSES: (per Table No. 5)				
Maintenance of Way and Structures.....	\$10,241,687 18	\$10,240,018 04	\$1,669 14	
Maintenance of Equipment.....	15,893,991 60	16,512,334 42		\$618,342 82
Traffic.....	799,144 90	701,309 59	97,835 31	
Transportation—Rail Line.....	32,857,837 91	34,482,681 55		1,624,843 64
Miscellaneous Operations.....	290,422 83	278,864 82	11,558 01	
General.....	2,906,737 37	2,770,668 74	136,068 63	
Transportation for Investment—Cr.....	2,358 78	1,646 11	712 67	
<i>Total Operating Expenses.....</i>	<i>\$62,987,463 01</i>	<i>\$64,984,231 05</i>		<i>\$1,996,768 04</i>
<i>Operating Ratio.....</i>	<i>(77.16%)</i>	<i>(80.74%)</i>		<i>(3.58)</i>
<i>Net Operating Revenue.....</i>	<i>\$18,641,300 49</i>	<i>\$15,502,480 41</i>	<i>\$3,138,820 08</i>	
TAX ACCRUALS.....	\$3,187,884 62	\$3,112,667 46	\$75,217 16	
UNCOLLECTIBLE RAILWAY REVENUES.....	18,638 45	11,948 21	6,690 24	
<i>Total.....</i>	<i>\$3,206,523 07</i>	<i>\$3,124,615 67</i>	<i>\$81,907 40</i>	
<i>Operating Income (carried forward).....</i>	<i>\$15,434,777 42</i>	<i>\$12,377,864 74</i>	<i>\$3,056,912 68</i>	

INCOME ACCOUNT—*Concluded*

	Year Ended December 31, 1925	Year Ended December 31, 1924	Increase	Decrease
<i>Operating Income (brought forward).....</i>	\$15,434,777 42	\$12,377,864 74	\$3,056,912 68	
Rent from Locomotives.....	71,944 13	46,180 30	25,763 83	
Rent from Passenger Train Cars.....	343,732 94	324,971 51	18,761 43	
Rent from Work Equipment.....	34,499 49	49,715 90		\$15,216 41
Joint Facility Rent Income.....	134,520 34	162,087 02		27,566 68
<i>Total.....</i>	\$16,019,474 32	\$12,960,819 47	\$3,058,654 85	
Hire of Freight Cars—Debit Balance.....	\$2,868,390 50	\$2,585,684 63	\$282,705 87	
Rent for Locomotives.....	44,839 50	16,928 95	27,910 55	
Rent for Passenger Train Cars.....	370,824 88	421,869 57		\$51,044 69
Rent for Work Equipment.....	442 35	622 49		180 14
Joint Facility Rents.....	327,161 71	391,373 48		64,211 77
<i>Total.....</i>	\$3,611,658 94	\$3,416,479 12	\$195,179 82	
<i>Net Railway Operating Income.....</i>	\$12,407,815 38	\$9,544,340 35	\$2,863,475 03	
OTHER INCOME:				
Income from Lease of Road.....	\$18,000 00	\$18,000 00		
Miscellaneous Rent Income.....	284,336 29	295,326 53		\$10,990 24
Miscellaneous Nonoperating Physical Property	9,444 28	2,396 67	\$7,047 61	
Dividend Income.....	192,975 00	242,975 00		50,000 00
Income from Funded Securities.....	53,870 03	4,514 00	49,356 03	
Income from Unfunded Securities and Accounts	375,069 07	249,025 58	126,043 49	
Income from Sinking and Other Reserve Funds	11,662 83	11,954 26		291 43
Release of Premiums on Funded Debt.....	33,770 83	41,604 44		7,833 61
Miscellaneous Income.....	8,182 94	Dr. 268,263 02	276,445 96	
<i>Total Other Income.....</i>	\$987,311 27	\$597,533 46	\$389,777 81	
<i>Total Income.....</i>	\$13,395,126 65	\$10,141,873 81	\$3,253,252 84	
OTHER DEDUCTIONS FROM INCOME:				
Rent for Leased Roads (per Table No. 7)....	\$1,229,350 89	\$1,292,841 39		\$63,490 50
Miscellaneous Rents.....	6,525 24	6,373 24	\$152 00	
Interest on Funded Debt*.....	6,594,080 50	6,628,491 13		34,410 63
Interest on Unfunded Debt.....	5,156 14	19,327 66		14,171 52
Amortization of Discount on Funded Debt....	85,904 78	85,904 78		
Miscellaneous Income Charges.....	5,200 00	1,196 18	4,003 82	
<i>Total Other Deductions.....</i>	\$7,926,217 55	\$8,034,134 38		\$107,916 83
<i>Net Income.....</i>	\$5,468,909 10	\$2,107,739 43	\$3,361,169 67	
DISPOSITION OF NET INCOME:				
Income Applied to Sinking Funds.....	\$156,234 49	\$147,560 11	\$8,674 38	
Equipment Trust Installments.....	716,200 00	716,200 00		
<i>Total Appropriations of Net Income.....</i>	\$872,434 49	\$863,760 11	\$8,674 38	
<i>Balance Transferred to Profit and Loss</i> <i>(per Table No. 4).....</i>	\$4,596,474 61	\$1,243,979 32	\$3,352,495 29	

*Interest amounting to \$116,424.16 for 1925 and \$107,458.34 for 1924 accrued on bonds held in Sinking Funds is included in account "Income Applied to Sinking Funds".

No. 3 CONTINGENT LIABILITIES

BONDS GUARANTEED.

The St. Johnsbury and Lake Champlain R.R. Co. First Mortgage 5% Bonds, due March 1, 1944	\$1,328,000 00
Concord & Claremont N. H. R.R. First Mortgage 5% Bonds, due January 1, 1944.....	500,000 00
The Peterborough and Hillsborough R.R. First Mortgage 4½% Bonds, due July 1, 1926, owned by Boston and Maine Railroad.....	100,000 00
Portland Union Ry. Station Co. Sinking Fund 4% Bonds, due July 1, 1927-9, guaranteed jointly with the Maine Central R.R. Co.....	300,000 00
	<u>\$2,228,000 00</u>

NOTES GUARANTEED.

Vermont Valley R.R. 6% Notes, due August 31, 1916, owned by Boston and Maine R.R.....	2,300,000 00
<i>Total</i>	<u>\$4,528,000 00</u>

No. 4

Dr.	PROFIT AND LOSS ACCOUNT	Cr.
Par value of Series D Bonds, purchased with proceeds of Sinking Fund, credited this account in 1924, transferred to Appropriated Surplus Account.....	\$1,929,000 00	Balance December 31, 1924..... \$3,296,441 93
Loss on sale of stock and bonds of Montreal and Atlantic Railway.....	51,000 00	Credit balance from Income Account for year 1925 (Includes Vermont Valley and Sullivan County Railroads)..... 4,596,474 61
To charge off ledger value of stock of Suncook Valley Railroad transferred to that Company for cancellation.....	63,060 00	Profit on road and equipment sold 246,585 37
To charge off part of amount due from the Montpelier and Wells River Railroad for advances, current deficits, etc., which is uncollectible.....	153,356 60	Unrefundable overcharges..... 18,044 32
To charge off amount due from the St. Johnsbury and Lake Champlain Railroad for advances, current deficits, etc., which is uncollectible.....	1,902,902 39	Adjustment of Miscellaneous Accounts — Net..... 679 55
To charge off ledger value of 7,680 shares Preferred, 31,760 shares Common stock and \$50.00 scrip of the St. Johnsbury and Lake Champlain Railroad Co., which is worthless.....	364,987 56	Unexpended balance of net income of Vermont Valley and Sullivan County Railroads, December 31, 1924, less minor adjustments for year 1925..... 1,354,458 84
To charge off ledger value, less estimated salvage of the following branch lines, the abandonment of which has been authorized:		
South Reading Branch \$125,083 53		
Danvers to No. Andover 224,806 08		
Manchester and Milford Branch.....400,737 49		
Bethlehem Branch.....122,727 68	873,354 78	
Loss on retired road and equipment....	249,127 80	
To charge off ledger value Suncook Valley Extension Railroad property which has been transferred to Suncook Valley Railroad.....	79,813 52	
To charge off ledger value of capital stock of Nashua & Acton Railroad less ledger value of property retained and salvage from portion abandoned..	228,934 00	
To charge off ledger value of Portsmouth Electric Railway less ledger value of property retained and salvage from portion abandoned.....	322,304 50	
Balance, December 31, 1925.....	3,294,843 47	
	<u>\$9,512,684 62</u>	
	Balance to next year's account.....	<u>\$9,512,684 62</u> <u>\$3,294,843 47</u>

No. 5

OPERATING EXPENSES

YEAR ENDED DECEMBER 31, 1925 COMPARED WITH PREVIOUS YEAR

(INCLUDING VERMONT VALLEY AND SULLIVAN COUNTY RAILROADS)

	Year ended December 31, 1925	Year ended December 31, 1924	Increase	Decrease
MAINTENANCE OF WAY AND STRUCTURES				
Superintendence.....	\$594,846 05	\$642,722 79		\$47,876 74
Roadway Maintenance.....	662,030 58	594,073 16	\$67,957 42	
Tunnels and Subways.....	18,372 45	12,928 83	5,443 62	
Bridges, Trestles and Culverts.....	470,633 93	531,571 73		60,937 80
Ties.....	1,635,993 90	1,645,308 32		9,314 42
Rails.....	655,721 53	487,037 66	168,683 87	
Other Track Material.....	510,715 15	565,449 77		54,734 62
Ballast.....	Cr. 15,451 68	Cr. 3,827 59	11,624 09	
Track Laying and Surfacing.....	2,367,071 78	2,384,251 86		17,180 08
Right-of-Way Fences.....	56,879 97	82,314 85		25,434 88
Snow and Sand Fences and Snowsheds.....	625 31	1,271 82		646 51
Crossings and Signs.....	429,301 61	371,416 97	57,884 64	
Station and Office Buildings.....	496,570 63	543,623 09		47,052 46
Roadway Buildings.....	39,591 00	39,862 64		271 64
Water Stations.....	98,594 53	92,836 32	5,758 21	
Fuel Stations.....	89,390 67	70,856 94	18,533 73	
Shops and Enginehouses.....	326,794 40	339,469 24		12,674 84
Grain Elevators.....	52,751 26	25,299 54	27,451 72	
Storage Warehouses.....	254 79	893 00		638 21
Wharves and Docks.....	50,618 14	38,621 13	11,997 01	
Coal and Ore Wharves.....	9,550 81	12,936 60		3,385 79
Gas Producing Plants.....	16,870 93	12,091 99	4,778 94	
Telegraph and Telephone Lines.....	55,341 84	102,732 78		47,390 94
Signals and Interlockers.....	626,273 23	605,239 81	21,033 42	
Power Plant Dams, Canals and Pipe Lines.....	—	78 02		78 02
Power Plant Buildings.....	6,198 52	3,766 66	2,431 86	
Power Substation Buildings.....	323 06	38 35	284 71	
Power Transmission Systems.....	5,219 64	3,187 52	2,032 12	
Power Distribution Systems.....	29,464 80	36,141 76		6,676 96
Power Line Poles and Fixtures.....	5,230 13	5,036 93	193 20	
Miscellaneous Structures.....	6,586 78	18,819 36		12,232 58
Paving.....	1,633 38	26 82	1,606 56	
Roadway Machines.....	58,160 42	61,218 97		3,058 55
Small Tools and Supplies.....	111,617 75	121,743 01		10,125 26
Removing Snow, Ice and Sand.....	382,283 45	417,291 64		35,008 19
Assessments for Public Improvements.....	618 69	1,566 26		947 57
Injuries to Persons.....	52,847 55	50,417 82	2,429 73	
Insurance.....	137,654 72	118,884 63	18,770 09	
Stationery and Printing.....	7,511 05	5,860 90	1,650 15	
Other Expenses.....	4 31	7 53		3 22
Maintaining Joint Tracks, Yards and Other Facilities — Dr.....	280,266 75	316,714 59		36,447 84
Maintaining Joint Tracks, Yards and Other Facilities — Cr.....	93,276 63	119,765 98		26,489 35
<i>Total Maintenance of Way and Structures</i>	<i>\$10,241,687 18</i>	<i>\$10,240,018 04</i>	<i>\$1,669 14</i>	
MAINTENANCE OF EQUIPMENT				
Superintendence.....	\$438,801 53	\$402,200 32	\$36,601 21	
Shop Machinery.....	636,228 23	597,445 11	38,783 12	
Power Plant Machinery.....	88,836 56	75,040 31	13,796 25	
Power Substation Apparatus.....	471 40	1,963 58		\$1,492 18
Steam Locomotives—Repairs.....	7,312,041 24	7,409,598 53		97,557 29
Steam Locomotives—Depreciation.....	505,129 02	491,801 79	13,327 23	
Steam Locomotives—Retirements.....	36,316 60	26,746 57	9,570 03	
Other Locomotives—Repairs.....	71,262 14	80,847 70		9,585 56
Other Locomotives—Depreciation.....	11,469 80	11,534 77		64 97
Other Locomotives—Retirements.....	859 79	—	859 79	
<i>Maintenance of Equipment (carried forward)</i>	<i>\$9,101,416 31</i>	<i>\$9,097,178 68</i>	<i>\$4,237 63</i>	

OPERATING EXPENSES—Continued

	Year Ended December 31, 1925	Year Ended December 31, 1924	Increase	Decrease
MAINTENANCE OF EQUIPMENT—Concluded				
<i>Brought forward</i>	\$9,101,416 31	\$9,097,178 68	\$4,237 63	
Freight-Train Cars—Repairs.....	3,239,092 62	3,651,235 15		\$412,142 53
Freight-Train Cars—Depreciation.....	681,298 61	694,982 47		13,683 86
Freight-Train Cars—Retirements.....	215,568 13	123,692 85	91,875 28	
Passenger-Train Cars—Repairs.....	1,688,507 26	2,164,626 92		476,119 66
Passenger-Train Cars—Depreciation.....	235,645 38	231,590 71	4,054 67	
Passenger-Train Cars—Retirements.....	31,769 29	610 36	31,158 93	
Motor Equipment of Cars—Repairs.....	14,817 93	19,898 04		5,080 11
Motor Equipment of Cars—Depreciation.....	1,646 49	281 22	1,365 27	
Motor Equipment of Cars—Retirements.....	797 96	765 38	32 58	
Work Equipment—Repairs.....	299,318 00	233,507 46	65,810 54	
Work Equipment—Depreciation.....	20,277 48	20,848 50		571 02
Work Equipment—Retirements.....	78,601 30	15,650 25	62,951 05	
Miscellaneous Equipment—Repairs.....	4,995 90	5,057 35		61 45
Miscellaneous Equipment—Depreciation.....	4,286 68	149 81	4,136 87	
Injuries to Persons.....	133,056 40	112,797 81	20,258 59	
Insurance.....	76,228 26	72,587 68	3,640 58	
Stationery and Printing.....	19,999 98	15,193 66	4,806 32	
Other Expenses.....	689 85	124 86	564 99	
Maintaining Joint Equipment at Terminals—Dr..	48,759 41	55,359 19		6,599 78
Maintaining Joint Equipment at Terminals—Cr..	2,781 64	3,803 93		1,022 29
<i>Total Maintenance of Equipment</i>	\$15,893,991 60	\$16,512,334 42		\$618,342 82
TRAFFIC				
Superintendence.....	\$413,060 25	\$391,600 81	\$21,459 44	
Outside Agencies.....	188,650 19	148,545 70	40,104 49	
Advertising.....	110,455 92	87,228 97	23,226 95	
Traffic Associations.....	12,236 84	12,682 31		\$445 47
Insurance.....	142 38	97 76	44 62	
Stationery and Printing.....	74,460 18	61,154 04	13,306 14	
Other Expenses.....	139 14	—	139 14	
<i>Total Traffic</i>	\$799,144 90	\$701,309 59	\$97,835 31	
TRANSPORTATION—RAIL LINE				
Superintendence.....	\$774,989 55	\$835,020 41		\$60,030 86
Dispatching Trains.....	246,424 48	259,807 22		13,382 74
Station Employees.....	5,696,710 53	5,889,886 31		193,175 78
Weighing, Inspection and Demurrage Bureaus..	3,738 70	4,374 24		635 54
Station Supplies and Expenses.....	375,619 70	400,250 02		24,630 32
Yardmasters and Yard Clerks.....	945,325 15	980,955 61		35,630 46
Yard Conductors and Brakemen.....	2,061,444 07	2,007,062 39	\$54,381 68	
Yard Switch and Signal Tenders.....	388,976 96	455,802 08		66,825 12
Yard Enginemen.....	1,239,046 83	1,229,365 59	9,681 24	
Fuel for Yard Locomotives.....	967,861 37	1,075,908 29		108,046 92
Water for Yard Locomotives.....	20,842 98	19,927 91	915 07	
Lubricants for Yard Locomotives.....	18,765 91	23,415 33		4,649 42
Other Supplies for Yard Locomotives.....	20,798 29	20,223 20	575 09	
Enginehouse Expenses—Yard.....	424,045 43	450,915 66		26,870 23
Yard Supplies and Expenses.....	40,841 87	44,828 22		3,986 35
Operating Joint Yards and Terminals—Dr.....	1,010,904 86	959,289 89	51,614 97	
Operating Joint Yards and Terminals—Cr.....	334,933 46	389,176 87		54,243 41
Train Enginemen.....	3,305,196 91	3,350,260 26		45,063 35
Train Motormen.....	87,753 40	85,653 18	2,100 22	
Fuel for Train Locomotives.....	5,489,855 17	6,429,060 93		939,205 76
Train Power Produced.....	5,136 67	5,168 33		31 66
Train Power Purchased.....	134,318 37	145,655 32		11,336 95
<i>Transportation—Rail Line (carried forward)</i> ..	\$22,923,663 74	\$24,283,653 52		\$1,359,989 78

OPERATING EXPENSES—*Concluded*

	Year ended December 31, 1925	Year ended December 31, 1924	Increase	Decrease
TRANSPORTATION—RAIL LINE—<i>Concluded</i>				
<i>Brought forward</i>	\$22,923,663 74	\$24,283,653 52		\$1,359,989 78
Water for Train Locomotives.....	191,423 10	195,700 05		4,276 95
Lubricants for Train Locomotives.....	86,199 66	111,820 85		25,621 19
Other Supplies for Train Locomotives.....	101,531 48	118,076 38		16,544 90
Enginehouse Expenses—Train.....	1,318,649 80	1,419,592 15		100,942 35
Trainmen.....	4,276,756 16	4,356,500 09		79,743 93
Train Supplies and Expenses.....	935,459 49	941,697 71		6,238 22
Signal and Interlocker Operation.....	852,761 55	851,880 60	\$880 95	
Crossing Protection.....	1,040,788 16	1,102,006 28		61,218 12
Drawbridge Operation.....	62,304 89	64,170 69		1,865 80
Telegraph and Telephone Operation.....	24,027 92	28,243 43		4,215 51
Stationery and Printing.....	194,319 26	173,803 57	20,515 69	
Other Expenses.....	29,535 09	22,333 05	7,202 04	
Operating Joint Tracks and Facilities— <i>Dr.</i>	30,815 91	29,910 80	905 11	
Operating Joint Tracks and Facilities— <i>Cr.</i>	48,037 43	67,792 33		19,754 90
Insurance.....	65,346 97	68,102 64		2,755 67
Clearing Wrecks.....	61,456 17	62,002 44		546 27
Damage to Property.....	65,478 08	58,957 38	6,520 70	
Damage to Live Stock on Right-of-Way.....	1,442 89	3,142 96		1,700 07
Loss and Damage—Freight.....	356,765 54	387,570 91		30,805 37
Loss and Damage—Baggage.....	6,722 93	6,348 12	374 81	
Injuries to Persons.....	280,426 55	264,960 26	15,466 29	
<i>Total Transportation—Rail Line</i>	\$32,857,837 91	\$34,482,681 55		\$1,624,843 64
MISCELLANEOUS OPERATIONS				
Dining and Buffet Service.....	\$127,367 11	\$118,199 32	\$9,167 79	
Grain Elevators.....	60,598 83	47,322 35	13,276 48	
Producing Power Sold.....	18,518 98	16,320 48	2,198 50	
Other Miscellaneous Operations.....	83,937 91	97,022 67		\$13,084 76
<i>Total Miscellaneous Operations</i>	\$290,422 83	\$278,864 82	\$11,558 01	
GENERAL				
Salaries and Expenses of General Officers.....	\$214,495 69	\$140,856 52	\$73,639 17	
Salaries and Expenses of Clerks and Attendants.....	1,862,232 31	1,855,862 10	6,370 21	
General Office Supplies and Expenses.....	87,611 09	93,920 05		\$6,308 96
Law Expenses.....	181,459 93	168,630 87	12,829 06	
Insurance.....	2,562 98	1,195 09	1,367 89	
Pensions.....	254,932 75	222,305 47	32 627 28	
Stationery and Printing.....	93,896 97	82,936 23	10,960 74	
Valuation Expenses.....	66,683 73	86,810 74		20,127 01
Other Expenses.....	127,123 02	103,789 77	23,333 25	
General Joint Facilities— <i>Dr.</i>	17,303 38	16,521 37	782 01	
General Joint Facilities— <i>Cr.</i>	1,564 48	2,159 47		594 99
<i>Total General</i>	\$2,906,737 37	\$2,770,668 74	\$136,068 63	
Transportation for Investment— <i>Cr.</i>	\$2,358 78	\$1,646 11	\$712 67	
<i>Total Operating Expenses</i>	\$62,987,463 01	\$64,984,231 05		\$1,996,768 04
<i>Ratio to Total Operating Revenues</i>	(77.16%)	(80.74%)		(3.58)

No. 6 ELECTRIC RAILWAYS

*Portsmouth Electric Railway — Portsmouth to Hampton, N. H.	Miles 14.14
Concord Electric Railways — Concord to Manchester and Penacook, N. H.	28.71
<i>Total Mileage operated (per Table No. 11)</i>	<i>42.85</i>

Results of Operations — Included in Income Account	Year ended December 31, 1925	Year ended December 31, 1924
REVENUES		
Passenger	\$202,535 27	\$263,528 74
Freight	60 20	167 70
Mail	270 35	428 80
Other Passenger Train	327 57	249 65
Station and Car Privileges	1,160 00	1,447 53
Power Sold	6,469 26	6,177 96
Contoocook River Park	1,000 00	1,000 00
Joint Facility Rent Income	1,351 57	1,359 47
Miscellaneous Rent Income	777 48	844 58
<i>Total Revenues</i>	<i>\$213,951 70</i>	<i>\$275,204 43</i>
OPERATING EXPENSES		
Maintenance of Way and Structures		
Superintendence	\$2,321 58	\$2,951 08
Maintenance of Way	19,864 56	21,014 86
Maintenance of Electric Lines	2,971 22	7,925 69
Maintenance of Buildings, Fixtures and Grounds	477 78	147 80
<i>Total</i>	<i>\$25,635 14</i>	<i>\$32,039 43</i>
Maintenance of Equipment		
Superintendence	\$3,631 40	\$4,377 19
Maintenance of Cars	10,258 71	16,816 98
Maintenance of Electric Equipment of Cars	12,259 72	19,110 92
Depreciation of Equipment	4,680 61	5,638 65
Miscellaneous Equipment Expenses	1,945 27	2,001 88
<i>Total</i>	<i>\$32,775 71</i>	<i>\$47,945 62</i>
Power		
Power Plant Buildings, Fixtures and Grounds	—	\$5 84
Maintenance of Power Equipment	\$3,769 76	4,347 86
Power Produced	7,013 33	7,055 04
Power Purchased	16,059 43	25,633 63
<i>Total</i>	<i>\$26,842 52</i>	<i>\$37,042 37</i>
Traffic		
Advertising	\$295 83	\$396 41
Contoocook River Park	5 00	93 41
<i>Total</i>	<i>\$300 83</i>	<i>\$489 82</i>
Transportation		
Superintendence and Dispatching	\$13,558 31	\$16,499 39
Motormen	40,444 91	38,214 06
Conductors	3,873 69	20,055 63
Car Supplies and Expenses	4,574 56	6,500 13
Miscellaneous	1,443 10	2,046 10
<i>Total</i>	<i>\$63,894 57</i>	<i>\$83,315 31</i>
General and Miscellaneous		
Law Expenses	\$4,902 10	\$4,122 30
Injuries and Damages	15,966 95	10,609 03
Insurance	1,125 90	1,587 84
<i>Total</i>	<i>\$21,994 95</i>	<i>\$16,319 17</i>
<i>Total Operating Expenses</i>	<i>\$171,443 72</i>	<i>\$217,151 72</i>
<i>Net Revenue</i>	<i>\$42,507 98</i>	<i>\$58,052 71</i>
<i>Tax Accruals</i>	<i>25,353 35</i>	<i>24,817 31</i>
<i>Operating Income</i>	<i>\$17,154 63</i>	<i>\$33,235 40</i>

*Operation discontinued May 17, 1925.

No. 7
RENT FOR LEASED ROADS
 YEAR ENDED DECEMBER 31, 1925

NAME OF ROAD	Lease Expires	Rental Accrued	Portion applying to Interest on Debt	Portion applying to Dividends on Capital Stock	Portion applying to Organization Expenses, etc.
Connecticut & Passumpsic Rivers	Jan. 1, 1986	\$229,000 00	\$76,000 00	\$150,000 00	\$3,000 00
Vermont & Massachusetts.....	Jan. 1, 2873	213,880 00		191,580 00	*22,300 00
†Northern.....	Jan. 1, 1989	218,604 00	29,500 00	184,104 00	5,000 00
Nashua & Lowell.....	Oct. 1, 1979	73,000 00		72,000 00	1,000 00
Pemigewasset Valley.....	Feb. 1, 1982	32,790 00		32,490 00	300 00
Concord & Portsmouth.....	Jan. 1, 1961	25,000 00		24,500 00	500 00
Massawippi Valley.....	July 1, 2869	24,000 00		24,000 00	
Stony Brook.....	Jan. 1, 1989	21,500 00		21,000 00	500 00
Wilton.....	Oct. 1, 1982	20,400 00		20,400 00	
Peterborough.....	April 1, 1986	15,700 00		15,400 00	300 00
Troy & Bennington.....	In perpetuity	15,400 00		15,080 00	320 00
New Boston.....	June 19, 1992	2,800 00		2,800 00	
**Newport & Richford.....	Jan. 1, 1986	17,500 00	17,500 00		
†Vermont Valley.....	July 1, 1930	255,500 00	205,500 00	50,000 00	
†Sullivan County.....	Aug. 31, 1930	61,420 00	21,420 00	40,000 00	
<i>Total.....</i>		\$1,226,494 00	\$349,920 00	\$843,354 00	\$33,220 00
Central Vermont Ry. Co.....		2,600 04			
N. Y., N. H. & H. R. R. Co. — Lessee of Old Colony R. R. Co.....		256 85			
<i>Grand Total.....</i>		\$1,229,350 89			

*Includes \$19,300.00 amortization of bonds of the Vermont and Massachusetts R. R. Co. amounting to \$772,000 which matured May 1, 1923 and were paid by the Boston and Maine R. R.

**Under the terms of the lease of the Connecticut and Passumpsic Rivers R. R. the Boston and Maine R. R. is obligated to pay the annual interest on bonds of the Newport & Richford R. R. Co., amounting to \$17,500 and receives \$18,000 annually from the Montreal & Atlantic Ry. Co., Lessee of the Newport & Richford R. R.

†Includes rental for Concord & Claremont, N. H. and Peterborough and Hillsborough Railroads.

‡ Operated under contract.

No. 8

ADDITIONS AND BETTERMENTS

BOSTON AND MAINE RAILROAD AND LEASED LINES
(INCLUDING VERMONT VALLEY AND SULLIVAN COUNTY RAILROADS)

YEAR ENDED DECEMBER 31, 1925

ROAD:

1 Engineering	\$48,211 62	
2 Land for Transportation Purposes	6,006 26	
3 Grading	46,274 18	
5 Tunnels and Subways	123 46	
6 Bridges, Trestles and Culverts	97,548 42	
8 Ties	18,468 63	
9 Rails	Cr. 52,366 17	
10 Other Track Material	251,901 53	
11 Ballast	44,420 29	
12 Track Laying and Surfacing	10,537 87	
13 Right-of-Way Fences	7,699 48	
14 Snow and Sand Fences and Snowsheds	Cr. 278 18	
15 Crossings and Signs	94,058 77	
16 Station and Office Buildings	421,615 50	
17 Roadway Buildings	4,897 43	
18 Water Stations	8,578 66	
19 Fuel Stations	33,929 44	
20 Shops and Enginehouses	68,002 89	
21 Grain Elevators	178 20	
23 Wharves and Docks	8,510 42	
26 Telegraph and Telephone Lines	1,160 87	
27 Signals and Interlockers	32,427 77	
29 Power Plant Buildings	44 62	
30 Power Substation Buildings	30 87	
31 Power Transmission Systems	518 98	
32 Power Distribution Systems	10,879 54	
33 Power Lines, Poles and Fixtures	1,737 46	
35 Miscellaneous Structures	Cr. 632 61	
36 Paving	Cr. 1,166 85	
37 Roadway Machines	25,695 55	
38 Roadway Small Tools	530 45	
44 Shop Machinery	151,087 64	
45 Power Plant Machinery	11,758 57	
46 Power Substation Apparatus	893 76	

EQUIPMENT:

51 Steam Locomotives	\$250,358 26	
52 Other Locomotives	217 64	
53 Freight Train Cars	52,349 03	
54 Passenger Train Cars	232,840 63	
55 Motor Equipment on Cars	65,913 32	
57 Work Equipment	148,452 92	
58 Miscellaneous Equipment	1,273 02	751,404 82

GENERAL EXPENDITURES:

73 Law	215 57	
Total		\$2,104,905 71
Credit:		
Equipment Retired	\$1,434,298 21	
Land Sold and Property Retired	1,932,227 72	3,366,525 93
Net Credit to Additions and Betterments		\$1,261,620 22

Distributed as follows:

Credited to Capital Account	\$1,302,455 87	
Charged to Leased Roads	40,835 65	\$1,261,620 22

Note: The above statement does not include credit of \$1,886.91 made up of miscellaneous adjustments affecting the accounts prior to July 1, 1914.

No. 9
SECURITIES OWNED AND ADVANCES
DECEMBER 31, 1925

INVESTMENTS IN AFFILIATED COMPANIES		Ledger Value	Total
Stocks			
Shares			
†20,000	Vermont Valley Railroad (Par \$50) (Entire Stock).....	\$1,117,520 00	
5,340	York Harbor and Beach R.R. Co. (Par \$50).....	256,830 00	
2,115	Mount Washington Railway Co. (Entire Stock).....	211,500 00	
12	Montpelier and Wells River R. R. (Par \$50).....	550 00	
10	Barre and Chelsea R. R. Co.....	2,225 00	
† 1,328	Franklin & Tilton Railroad.....	132,800 00	
† 117	Concord & Claremont N. H. R. R.	4,890 00	
1,750	Lake Champlain & St. Lawrence Jct. Ry. Co. (Par \$50).....	66,795 31	
† 75	Troy Union Railroad Co.....	7,500 00	\$1,800,610 31
Bonds			
Par Value			
\$1,172,000	The St. Johnsbury and Lake Champlain R. R. Co. First Mortgage 5's due 1944.....	\$1,172,000 00	
† 100,000	Peterborough and Hillsborough R.R. First Mortgage 4½'s due July 1, 1926	100,000 00	1,272,000 00
Notes			
†\$2,300,000	Vermont Valley Railroad 6% due August 31, 1916.....	\$2,300,541 70	
	Miscellaneous.....	1 00	2,300,542 70
Advances			
	Franklin & Tilton Railroad—For Additions and Improvements to Property	\$17,894 44	17,894 44
	<i>Total Investments in Affiliated Companies</i>		\$5,391,047 45
OTHER INVESTMENTS			
Stocks			
Shares			
331	Peterborough Railroad.....	\$19,860 00	
240	New Boston Railroad.....	24,000 00	
381	Pemigewasset Valley Railroad.....	38,100 00	\$81,960 00
Bonds			
Par Value			
\$200	Walden-Worcester Co., Inc. First Mortgage 7's due 1931.....	\$200 00	200 00
Notes			
\$5,000	Erving Paper Mills.....	\$5,000 00	5,000 00
Miscellaneous			
\$4,038,000	Sundry Investments	\$4,069,771 44	4,069,771 44
Advances			
	Wilton Railroad Co. For Additions and Improvements to Property	\$47,598 37	
	Peterborough R. R. " " " " " "	39,933 07	
	Pemigewasset Valley R. R. " " " " " "	70,143 87	157,675 31
	<i>Total Other Investments</i>		\$4,314,606 75
	<i>Grand Total</i>		\$9,705,654 20
INSURANCE FUND			
\$15,000	U. S. Government Liberty Loan Bonds due 1942 on deposit with New York State Industrial Commission		\$12,723 75

† Held by the Old Colony Trust Co. under Trust Agreement dated December 1, 1919, together with 4,000 shares of Concord & Claremont N. H. R. R.; 450 shares of Peterborough and Hillsborough R. R.; and 1,328 shares of Franklin & Tilton R. R., owned by the Northern R.R. and 7,000 shares of Newport & Richford R.R. Co. owned by the Connecticut and Passumpsic Rivers R. R. Co.

See notes on Table No. 10.

BOSTON AND MAINE RAIL

CAPITAL STOCK AND FUNDED DEBT

OWNED

NAME OF ROAD AND DESCRIPTION	CAPITAL STOCK		
	Amount Outstanding	Dividends	
		Rate	Amount
Boston and Maine Common	A \$39,505,100 00		
" " " " Scrip.	290 70		
" " " Preferred	B 3,149,800 00		
" " " First Preferred Class A	18,860,000 00		
" " " " " B	7,648,800 00		
" " " " " C	7,917,100 00		
" " " " " D	4,327,000 00		
" " " " " E	65,000 00		
" " " General Mortgage			
" " " Fitchburg			
" " " Boston and Lowell			
" " " Boston and Lowell			
" " " Fitchburg			
" " " " "			
" " " Boston and Lowell			
" " " Fitchburg			
" " " " "			
" " " Series C			
" " " Series D			
" " " Series G			
" " " Series L			
" " " Series N			
" " " Boston and Lowell			
" " " Worcester, Nashua and Rochester			
" " " Series F			
" " " Series H			
" " " Series I			
" " " Series J			
" " " Fitchburg			
" " " Boston and Lowell			
" " " Series M			
" " " Fitchburg			
" " " Boston and Lowell			
" " " Series O			
" " " Fitchburg			
" " " Worcester, Nashua and Rochester			
" " " " " " "			
" " " Series K			
" " " Boston and Lowell			
" " " Sinking Fund Improvement			
" " " Fitchburg			
" " " Ports, Gt. Falls and Conway			
" " " Connecticut River			
" " " " " " "			
" " " Equipment Trust of 1920 Gold Notes			
" " " Equipment Trust of 1922 Gold Certificates			
" " " Equipment Trust No. 3 Gold Certificates			
" " " Real Estate Mortgage (Assumed)			
Totals for Owned Road	\$81,473,090 70		

NOTE.—The mortgage indenture dated Dec. 1, 1919, securing the Mortgage Bonds of Boston and Maine Railroad, also secures on equal terms all other bonds, issued or assumed by the Boston and Maine Railroad referred to in the Mortgage as "Pre-existing Bonds," except that bonds issued or assumed by the Boston and Maine Railroad described as First Mortgage Bonds are prior liens upon separate parts of the property as fully described in the Mortgage. Upon request of the holder and presentation of any pre-existing bond at the office of the Old Colony Trust Company, Boston, the Railroad will print or stamp upon it a statement that it is secured by the Mortgage Indenture dated Dec. 1, 1919.

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ROAD AND LEASED ROADS

OUTSTANDING DECEMBER 31, 1925.

ROAD

FUNDED DEBT

Bonds Outstanding (See Note)	Date of Issue	Date of Maturity	Interest		When Payable
			Rate	Accrued for Year	
e note J) \$500,000 00	Feb. 2, 1905	Feb. 2, 1925	G	\$25,208 33	Feb. — Aug. 2
" " 3,660,000 00	May 1, 1905	May 1, 1925	H	170,800 00	May — Nov. 1
" " 500,000 00	Sept. 1, 1905	Sept. 1, 1925	I	20,000 00	Mar. — Sept. 1
..... 10,000,000 00	Sept. 1, 1906	Sept. 1, 1926	4%	400,000 00	Mar. — Sept. 1
..... 500,000 00	Nov. 1, 1906	Nov. 1, 1926	4%	20,000 00	May — Nov. 1
..... D 2,750,000 00	Mar. 1, 1897	Mar. 1, 1927	4%	110,000 00	Mar. — Sept. 1
..... 2,000,000 00	Apr. 1, 1907	Apr. 1, 1927	4%	80,000 00	Apr. — Oct. 1
..... 325,000 00	July 1, 1907	July 1, 1927	4%	13,000 00	Jan. — July 1
..... 1,450,000 00	Jan. 1, 1898	Jan. 1, 1928	4%	58,000 00	Jan. — July 1
..... 2,400,000 00	May 1, 1908	May 1, 1928	4½%	108,000 00	May — Nov. 1
..... 10,273,000 00	Jan. 1, 1920	Jan. 1, 1929	6%	616,380 00	Jan. — July 1
..... 15,677,000 00	July 1, 1920	Jan. 1, 1929	6%	940,620 00	Jan. — July 1
..... 1,212,500 00	Dec. 29, 1920	Jan. 1, 1929	6%	72,750 00	Jan. — July 1
..... 1,030,000 00	Jan. 1, 1922	Jan. 1, 1929	6%	61,800 00	Jan. — July 1
..... 1,106,000 00	Jan. 1, 1924	Jan. 1, 1929	6%	66,360 00	Jan. — July 1
..... 11,700,000 00	Apr. 1, 1909	Apr. 1, 1929	4½%	526,500 00	Apr. — Oct. 1
..... 350,000 00	Apr. 1, 1909	Apr. 1, 1929	4%	14,000 00	Apr. — Oct. 1
..... 735,000 00	Jan. 1, 1890	Jan. 1, 1930	4%	29,400 00	Jan. — July 1
..... K 3,842,000 00	June 1, 1920	June 1, 1930	6%	229,945 00	June — Dec. 1
..... 5,443,979 00	Dec. 29, 1920	Nov. 1, 1930	6%	326,638 74	May — Nov. 1
..... 609,000 00	Jan. 1, 1921	Jan. 1, 1931	7%	42,630 00	Jan. — July 1
..... 3,049,000 00	Oct. 1, 1921	Oct. 1, 1931	6%	182,940 00	Apr. — Oct. 1
..... 1,200,000 00	Jan. 1, 1912	Jan. 1, 1932	4½%	54,000 00	Jan. — July 1
..... 1,000,000 00	Apr. 1, 1892	Apr. 1, 1932	4%	40,000 00	Apr. — Oct. 1
..... 3,991,000 00	Jan. 1, 1923	Jan. 1, 1933	6%	239,460 00	Jan. — July 1
..... 400,000 00	Jan. 1, 1913	Jan. 1, 1933	4½%	18,000 00	Jan. — July 1
..... 1,000,000 00	Feb. 1, 1913	Feb. 1, 1933	4½%	45,000 00	Feb. — Aug. 1
..... 5,894,000 00	Jan. 1, 1924	Jan. 1, 1934	6%	353,640 00	Jan. — July 1
..... 1,872,000 00	Jan. 1, 1914	Jan. 1, 1934	5%	93,600 00	Jan. — July 1
..... 380,000 00	Oct. 1, 1894	Oct. 1, 1934	4%	15,200 00	Apr. — Oct. 1
..... 150,000 00	Jan. 1, 1906	Jan. 1, 1935	4%	6,000 00	Jan. — July 1
..... 5,000,000 00	June 1, 1922	June 1, 1935	6%	300,000 00	June — Dec. 1
..... 1,250,000 00	Mar. 1, 1916	Mar. 1, 1936	5%	62,500 00	Mar. — Sept. 1
..... E 1,919,000 00	Feb. 1, 1887	Feb. 1, 1937	4%	76,760 00	Feb. — Aug. 1
..... 5,000,000 00	Feb. 1, 1887	Feb. 1, 1937	4%	200,000 00	Feb. — Aug. 1
..... 1,000,000 00	June 1, 1877	June 1, 1937	4½%	45,000 00	June — Dec. 1
..... F 2,500,000 00	Aug. 1, 1892	Aug. 1, 1942	4%	100,000 00	Feb. — Aug. 1
..... 1,000,000 00	Sept. 1, 1893	Sept. 1, 1943	4%	40,000 00	Mar. — Sept. 1
..... 6,000,000 00	Jan. 1, 1894	Jan. 1, 1944	4½%	270,000 00	Jan. — July 1
..... 5,454,000 00	July 2, 1900	July 1, 1950	3%	163,620 00	Jan. — July 1
..... 4,542,000 00	Jan. 15, 1920	Jan. 15, 1926-'35	6%	273,655 50	Jan. — July 15
..... 1,452,000 00	Aug. 1, 1922	Aug. 1, 1926-'37	5½%	83,742 09	Feb. — Aug. 1
..... 1,833,000 00	June 1, 1923	June 1, 1926-'38	6%	113,505 00	June — Dec. 1
..... 100,000 00	Sept. 27, 1924	Sept. 27, 1929	6%	1,850 00	Mar.-Jun.-Sept.-Dec. 27
\$132,049,479 00				*\$6,710,504 66	

A 323 Shares owned by Boston and Maine R. R.

B 262 Shares owned by Nashua and Lowell R. R.

C No dividends paid on 12 shares. 56 Shares owned by Boston and Maine R. R.

D \$1,000.00 owned by Nashua and Lowell R. R.

E Sinking Fund in hands of Trustee, ledger value \$2,457,527.78 (per Table 15), \$7,000.00 owned by Nashua and Lowell R. R.

F \$1,000.00 owned by Nashua and Lowell R. R.

G 3¼% to maturity, 6% from Feb. 2 to Mar. 31, and 5% from April 1, 1925.

H 4% to maturity, 5% from May 1, 1925.

I 3½% to maturity, 5% from Sept. 1, 1925.

J These bonds appear on balance sheet under the caption of Funded Debt Matured Unpaid as required by ruling of I. C. C.

K \$1,000.00 owned by Boston and Maine R. R.

* Includes \$116,424.16 interest accrued on bonds held in Sinking Funds.

BOSTON AND MAINE RAIL

CAPITAL STOCK AND FUNDED DEBT

LEASED

NAME OF ROAD AND DESCRIPTION	CAPITAL STOCK		
	Amount Outstanding	Dividends	
		Rate	Amount
Nashua and Lowell.....	* \$800,000 00	9%	\$72,000 00
Stony Brook.....	300,000 00	7%	21,000 00
Wilton.....	240,000 00	8½%	20,400 00
Peterborough.....	A 385,000 00	4%	15,400 00
New Boston.....	B 84,000 00	4%	2,800 00
Concord and Portsmouth.....	350,000 00	7%	24,500 00
Pemigewasset Valley.....	C 541,500 00	6%	32,490 00
Franklin & Tilton.....	D 265,600 00		
Northern.....	3,068,400 00	6%	184,104 00
Vermont and Massachusetts.....	3,193,000 00	6%	191,580 00
Troy & Bennington.....	150,800 00	10%	15,080 00
Peterborough and Hillsborough.....	E 45,000 00		
" " ".....			
Newport & Richford (See Note Table 7).....	G 350,000 00		
Connecticut and Passumpsic Rivers—Preferred.....	H 2,500,000 00	6%	150,000 00...
Massawippi Valley.....	I 800,000 00	6%	24,000 00...
Concord & Claremont N. H.....	J 412,400 00		
Vermont Valley.....	L 1,000,000 00	5%	50,000 00
Sullivan County.....	M 500,000 00	8%	40,000 00
Totals for Leased Roads.....	\$14,985,700 00		\$843,354 00
Grand Total — Owned and Leased Roads.....	\$96,458,790 70		\$843,354 00

A 331 shares owned by Boston and Maine Railroad.

B 240 shares owned by Boston and Maine Railroad, of which no dividends are paid on 140 shares.

C 381 shares owned by Boston and Maine Railroad.

D 1,328 shares owned by Boston and Maine Railroad and 1,328 shares held by the Boston and Maine Railroad, assignee of lease of Northern Railroad, being the total amount outstanding.

E All held by the Boston and Maine Railroad, assignee of lease of the Northern Railroad.

F All owned by Boston and Maine Railroad

ROAD AND LEASED ROADS

OUTSTANDING DECEMBER 31, 1925 — *Concluded*

ROADS

FUNDED DEBT

Bonds Outstanding	Date of Issue	Date of Maturity	Interest		
			Rate	Accrued for Year	When Payable
..... F First Mortgage \$100,000 00	July 1, 1897	July 1, 1926	4½%	\$4,500 00	Jan. — July 1
..... E Second Mortgage 65,000 00	Apr. 30, 1877	Apr. 30, 1887	7%	<i>No Interest</i>	
..... First Mortgage 350,000 00	Jan. 2, 1911	Jan. 1, 1941	5%	17,500 00	Jan. — July 1
..... First Mortgage 1,900,000 00	Apr. 1, 1893	Apr. 1, 1943	4%	76,000 00	Apr. — Oct. 1
..... K First Mortgage 500,000 00	Jan. 1, 1914	Jan. 1, 1944	5%	25,000 00	Jan. — July 1
..... First Mortgage 1,500,000 00	Oct. 1, 1910	Oct. 1, 1940	4½%	67,500 00	Apr. — Oct. 1
..... First Mortgage 357,000 00	Apr. 1, 1924	Apr. 1, 1944	6%	21,420 00	Apr. — Oct. 1
\$4,772,000 00				\$211,920 00	
\$136,821,479 00				\$6,922,424 66	

G All held by Boston and Maine Railroad, assignee of lease of the Connecticut and Passumpsic Rivers R. R. Co.

H 7,000 shares held by the Boston Safe Deposit & Trust Co., trustee under the mortgage as collateral security for payment of First Mortgage Bonds of the Vermont Valley Railroad.

I 4,000 shares held by the Boston Safe Deposit & Trust Co., trustee under the mortgage as collateral security for payment of First Mortgage Bonds of the Connecticut and Passumpsic Rivers R. R. Co., and 1,000 shares held by the Boston Safe Deposit & Trust Co., trustee under the mortgage as collateral security for payment of First Mortgage Bonds of the Vermont Valley Railroad.

J 117 shares owned by Boston and Maine Railroad and 4,000 shares held by the Boston and Maine Railroad, assignee of lease of Northern Railroad.

K \$10,000.00 owned by Northern Railroad.

L All capital stock owned by Boston and Maine Railroad.

M All capital stock owned by Vermont Valley Railroad.

NOTE. In addition to the above, 1,750 shares of capital stock of the Lake Champlain and St. Lawrence Junction Ry. Co. and 6,400 shares of capital stock of the Montreal and Atlantic Ry. Co. are held by the Boston and Maine Railroad, assignee of lease of the Connecticut and Passumpsic Rivers R. R. Co.

There is also outstanding \$2,300,000 6% Notes of the Vermont Valley R.R. due August 31, 1916.

No

BOSTON AND MAINE RAIL

ROAD OPERATE

NAME OF ROAD	FROM	TO
STEAM ROADS		
Boston and Maine R.R.....	Boston, Mass.....	Rigby, Me. (Dover Route).....
".....	Boston, Mass.....	Rigby, Me. (Portsmouth Route).....
".....	Jewett, Me.....	Intervale, N. H.....
".....	North Cambridge, Mass.....	Northampton, Mass.....
".....	Worcester, Mass.....	Westbrook, Me. (Gorham Line).....
".....	Boston, Mass.....	Fitchburg, Mass.....
".....	Greenfield, Mass.....	Rotterdam Jct., N. Y.....
".....	Vermont State Line.....	Troy, N. Y.....
".....	South Ashburnham, Mass.....	Bellows Falls, Vt.....
".....	Boston, Mass.....	Lowell, Mass.....
".....	Nashua Union Station, N. H.....	Woodsville and Groveton, N. H.....
".....	Springfield, Mass.....	Brattleboro, Vt.....
" Medford..... Branch	Medford Jct., Mass.....	Medford, Mass.....
" South Reading..... "	Wakefield Jct., Mass.....	Peabody, Mass.....
" Newburyport..... "	Wakefield Jct., Mass.....	Newburyport, Mass.....
" Georgetown..... "	Bradford, Mass.....	Georgetown, Mass.....
" Merrimac..... "	Newton Jct., N. H.....	Merrimac, Mass.....
" Lakeport..... "	Dover, N. H.....	Lakeport, N. H.....
" Somersworth..... "	Rollinsford, N. H.....	Somersworth, N. H.....
" Charlestown..... "	East Somerville, Mass.....	Charlestown, Mass.....
" Saugus..... "	Everett Jct., Mass.....	West Lynn, Mass.....
" East Boston..... "	Revere, Mass.....	East Boston, Mass.....
" Swampscott..... "	Swampscott, Mass.....	Marblehead, Mass.....
" Marblehead..... "	Salem, Mass.....	Marblehead, Mass.....
" Lawrence..... "	Salem, Mass.....	North Andover, Mass.....
" Gloucester..... "	Beverly, Mass.....	Rockport, Mass.....
" Essex..... "	Hamilton and Wenham, Mass.....	Conomo, Mass.....
" Newburyport City..... "	Freight Tracks, Newburyport, Mass.....	Water Front.....
" Amesbury..... "	Salisbury, Mass.....	Amesbury, Mass.....
" Portsmouth and Dover..... "	Portsmouth, N. H.....	Dover, N. H.....
" Wolfeboro..... "	Sanbornville, N. H.....	Wolfeboro, N. H.....
" Salem, Mass..... "	Freight Tracks.....	Phillips Wharf.....
" Phillips Wharf..... "	Freight Tracks, Salem, Mass.....	In Boston.....
" Billerica Shop Tracks..... "	At Billerica, Mass.....	Waltham, Mass.....
" Hoosac Docks..... "	Freight Tracks.....	Marlboro, Mass.....
" Watertown..... "	West Cambridge, Mass.....	Greenville, N. H.....
" Marlboro..... "	South Acton, Mass.....	Milford, N. H.....
" Greenville..... "	Ayer, Mass.....	Ashburnham, Mass.....
" Milford..... "	Squannacook Jct., Mass.....	Winchendon, Mass.....
" Ashburnham..... "	South Ashburnham, Mass.....	Peterboro, N. H.....
" Worcester..... "	Worcester, Mass.....	Saratoga, N. Y.....
" Peterborough..... "	Winchendon, Mass.....	Schuylerville, N. Y.....
" Saratoga..... "	East Saratoga Jct., N. Y.....	Mystic Wharves, Mass.....
" Schuylerville..... "	Schuylerville Jct., N. Y.....	Reformatory, Mass.....
" Mystic..... "	Mystic Jct., Mass.....	North Billerica, Mass.....
" Lexington..... "	Somerville Jct., Mass.....	North Woburn Jct., Mass.....
" Bedford and Billerica..... "	Bedford, Mass.....	Stoneham, Mass.....
" Woburn..... "	Winchester, Mass.....	Wilmington Jct., Mass.....
" Stoneham..... "	Montvale, Mass.....	Peabody, Mass.....
" Lawrence..... "	Wilmington, Mass.....	Lawrence, Mass.....
" Salem and Lowell..... "	Tewksbury Jct., Mass.....	Keene, N. H.....
" Lowell and Lawrence..... "	Lowell, Mass.....	
" Manchester and Keene..... "	Greenfield, N. H.....	
<i>Steam Roads (carried forward).....</i>		

ROAD AND LEASED ROADS

DECEMBER 31, 1925

MILEAGE								
Owned Roads		Leased Roads		Total Road Operated	Second Track	Third Track	Side Tracks	Total Track Operated
Main Lines	Branch Lines	Main Lines	Branch Lines					
111.09					99.06		107.31	317.46
104.90					63.56		83.61	252.07
73.14							15.32	88.46
95.58							22.94	118.52
139.49					45.97		93.12	278.58
49.59					49.59		99.49	198.67
104.86					70.79	1.20	117.93	294.78
40.37					15.55		16.92	72.84
53.78							20.96	74.74
25.52					25.52		71.16	122.20
180.46					35.67		127.74	343.87
59.11					37.46		62.94	159.51
	1.78				1.72		1.01	4.51
	8.13						2.08	10.21
	30.42						3.47	33.89
	6.10						1.23	7.33
	4.44						.69	5.13
	45.04						8.18	53.22
	2.84						2.04	4.88
	1.14				.62		19.24	21.00
	9.74				9.66		4.28	23.68
	1.84						3.73	5.57
	4.35				.27			4.62
	3.57						1.21	4.78
	19.88				1.95		7.32	29.15
	16.64				12.98		5.43	35.05
	6.00						1.46	7.46
	1.97						1.22	3.19
	3.78						2.61	6.39
	10.62						3.04	13.66
	12.25						2.87	15.12
							.63	.63
	1.08						2.71	3.79
							25.17	25.17
	.79				.48		1.39	2.66
	6.64				6.49		5.90	19.03
	12.25						3.69	15.94
	23.67						3.22	26.89
	21.59						3.96	25.55
	2.59						.26	2.85
	35.68						13.80	49.48
	15.92						3.85	19.77
	17.90						2.27	20.17
	8.20						1.41	9.61
	2.06				.87		42.66	45.59
	18.71				8.19		4.08	30.98
	8.06						1.01	9.07
	5.98				5.97		2.48	14.43
	2.41						1.50	3.91
	3.27						1.65	4.92
	16.80						2.64	19.44
	12.29						7.39	19.68
	29.52						2.08	31.60
1,037.89	435.94				492.37	1.20	1,044.30	3,011.70

BOSTON AND MAINE RAIL

ROAD OPERATED

NAME OF ROAD	FROM	TO
STEAM ROADS (<i>brought forward</i>).....		
Boston and Maine R.R.:		
" Hooksett.....Branch	Hooksett, N. H.....	Concord, N. H.....
" Mt. Washington....."	Wing Road, N. H.....	Base Station, N. H.....
" Manchester and No. Weare "	Manchester, N. H.....	Henniker Jct., N. H.....
" Tilton and Belmont....."	Belmont Jct., N. H.....	Belmont, N. H.....
" Whitefield and Jefferson. "	Whitefield Jct., N. H.....	Berlin Mills, N. H.....
" Bethlehem....."	Bethlehem Jct., N. H.....	Bethlehem, N. H.....
" Manchester and Milford....."	Grasmere Jct., N. H.....	East Milford, N. H.....
" Chicopee Falls....."	Chicopee Jct., Mass.....	Chicopee Falls, Mass.....
" Easthampton....."	Mount Tom, Mass.....	Easthampton, Mass.....
" East Deerfield....."	Deerfield Jct., Mass.....	East Deerfield, Mass.....
" Ashuelot....."	Dole Jct., N. H.....	Keene, N. H.....
" Lowell....."	Lowell Jct., Mass.....	Wigginvile, Mass.....
" Manchester and Lawrence "	South Lawrence, Mass.....	Manchester, N. H.....
" Kennebunkport....."	Kennebunk, Me.....	Kennebunkport, Me.....
" Sundry Connecting Tracks.....		
Nashua and Lowell R.R. Corp'n.....	Lowell, Mass.....	Nashua Union Station, N. H.....
" " Keene Branch.....	Nashua Union Station, N. H.....	Nashua City Station, N. H.....
Stony Brook R.R. Corp'n.....	North Chelmsford, Mass.....	Ayer, Mass.....
Wilton Railroad Co.....	Nashua City Station, N. H.....	Wilton, N. H.....
Peterborough Railroad.....	Wilton, N. H.....	Greenfield, N. H.....
Nashua & Acton R.R.....	Nashua, N. H. and No. Acton, Mass.	
New Boston R.R. Co.....	Parkers, N. H.....	New Boston, N. H.....
Concord and Portsmouth R.R.....	Manchester, N. H.....	Portsmouth, N. H.....
Pemigewasset Valley R.R.....	Plymouth, N. H.....	Lincoln, N. H.....
Franklin & Tilton R.R.....	Franklin Jct., N. H.....	Tilton, N. H.....
Northern Railroad.....	Concord, N. H.....	White River Jct., Vt.....
" " Bristol Branch.....	Franklin, N. H.....	Bristol, N. H.....
Concord & Claremont N. H. R.R.....	Concord, N. H.....	Claremont Jct., N. H.....
" Hillsboro Branch.....	Contocook, N. H.....	Hillsboro, N. H.....
Peterborough and Hillsborough R.R.....	Peterboro, N. H.....	Hillsboro, N. H.....
" Connecting Track.....	Elmwood, N.H. (Hillsborough Br.)	Manchester and Keene Branch.....
Vermont and Massachusetts R.R. Co.....	Fitchburg, Mass.....	Greenfield, Mass.....
" Connecting Track.....	Gardner, Mass. (Fitch. Div.).....	Wor., Nash. and Port. Division.....
" Turners Falls Branch.....	Turners Falls Jct., Mass.....	Turners Falls, Mass.....
Troy & Bennington R.R. Co.....	Hoosick Jct., N. Y.....	Vermont State Line.....
Connecticut and Passumpsic Rivers R.R. Co.	White River Jct., Vt.....	Canada Line.....
" Connecting Track.....	Wells River, Vt. (Pass'c Div.).....	White Mountains Div.....
Massawippi Valley Ry. Co.....	Canada Line.....	Lennoxville, P. Q.....
" Stanstead Branch.....	Beebe Jct., P. Q.....	Stanstead, P. Q.....
*Vermont Valley R. R.....	Brattleboro, Vt.....	Bellows Falls, Vt.....
*The Sullivan County R. R.....	Bellows Falls, Vt.....	N. H. State Line, Windsor, Vt.....
" " Connecting Track.....	" " "	
Central Vermont Railway Co.....	N. H. State Line.....	Windsor, Vt.....
Steam Roads (<i>carried forward</i>).....		

*Operated under contract.

ROAD AND LEASED ROADS

DECEMBER 31, 1925—Continued

MILEAGE								
Owned Roads		Leased Roads		Total Road Operated	Second Track	Third Track	Side Tracks	Total Track Operated
Main Lines	Branch Lines	Main Lines	Branch Lines					
1,037.89	435.94				492.37	1.20	1,044.30	3,011.70
	8.79						2.18	10.97
	20.13						3.90	24.03
	24.62						7.31	31.93
	4.20						.57	4.77
	30.56						12.29	42.85
	3.42						.19	3.61
	18.54						.58	19.12
	2.26						1.91	4.17
	3.26						1.36	4.62
	1.02						.17	1.19
	21.66						5.12	26.78
	7.13				7.13		4.39	18.65
	27.16				.75		19.33	47.24
	4.63						.81	5.44
3.17	3.76			1,658.14	.26		.52	7.71
		13.31			13.31	.09	26.84	53.55
			.95	14.26	.95		1.29	3.19
			13.25	13.25	4.39		6.86	24.50
			15.41	15.41	.18		4.75	20.34
			10.64	10.64			1.03	11.67
							3.25	3.25
			5.16	5.16			.60	5.76
			39.82	39.82			14.65	54.47
			21.41	21.41			4.58	25.99
			4.96	4.96			3.07	8.03
		69.53					24.39	93.92
			12.78	82.31			1.11	13.89
			56.84				10.35	67.19
			14.60	71.44			2.25	16.85
			18.05				1.78	19.83
			.18	18.23				.18
		56.02			56.02	4.77	72.43	189.24
		.12						.12
				56.14			3.28	3.28
			5.03	5.03			.93	5.96
		109.40			.63		46.63	156.66
		.21		109.61				.21
		31.96					9.37	41.33
			3.52	35.48			1.01	4.53
		24.69		24.69	15.55		4.78	45.02
		24.31			17.07		6.28	47.66
		1.00		25.31				1.00
		.73		.73			.57	1.30
1,041.06	617.08	331.28	222.60	2,212.02	608.61	6.06	1,357.01	4,183.70

BOSTON AND MAINE RAILROAD OPERATIONS

NAME OF ROAD	FROM	TO
STEAM ROADS (<i>brought forward</i>).....	.....	.....
TRACKAGE RIGHTS		
Portland Terminal Co.....	Rigby, Me.....	Portland, Me., Union Station
" " ".....	Rigby, Me.....	" " Commercial St.....
" " ".....	Westbrook, Me. (Gorham Line)...	" " Union Station.....
" " ".....	Cumberland Mills, Me.....	" " Fore River Yard.....
Boston & Albany R.R.....	Connecting Track.....	In Winchendon, Mass.....
" " " ".....	Water St., Springfield, Mass.....	Springfield, Mass. Station.....
Troy Union R.R.....	Hoosick St., Troy, N. Y.....	Station in Troy, N. Y.....
Delaware & Hudson Co.....	Mechanicville, N. Y.....	West End Tower.....
" " " ".....	Coons, N. Y.....	Crescent, N. Y.....
Canadian National Ry. Co.....	Lennoxville, P. Q.....	Sherbrooke, P. Q.....
Rutland R.R. Co.....	Connecticut River Bridge.....	Bellows Falls Station, Vt.....
Central Vermont Ry.	Brattleboro, Vt.....	East Northfield, Mass.....
Total Trackage Rights.....	.....	.....
Total Steam Roads.....	.....	.....
ELECTRIC RAILWAYS		
*Portsmouth Electric Railway.....	Portsmouth, N. H.....	Hampton, N. H.....
Concord Electric Railways.....	Concord, N. H.....	Manchester and Penacook, N.H.....
Total Electric Railways.....	.....	.....
Grand Total Steam and Electric Roads— December 31, 1925.....	.....	.....
Mileage in Hoosac Tunnel Zone electrified (included above).....	.....	.....

SUMMARY

DESCRIPTION	MILEAGE		
	Owned	Leased	Total
STEAM ROADS			
Main Lines.....	1,041.06	331.28	1,372.34
Branch Lines.....	617.08	222.60	839.68
Trackage Rights.....		35.82	35.82
Total Road Operated.....	1,658.14	589.70	2,247.84
Second Track.....	500.51	A 129.39	629.90
Third Track.....	1.20	B 5.85	7.05
Side Track.....	1,104.93	252.08	1,357.01
Total Track Operated.....	3,264.78	977.02	4,241.80
ELECTRIC RAILWAYS			
Branch Lines.....	42.85	.....	42.85
Side Tracks.....	2.87	.....	2.87
Total.....	45.72	.....	45.72
Grand Total Tracks Operated—Steam and Electric Roads— December 31, 1925.....	3,310.50	977.02	4,287.52

A Includes trackage rights, 21.29 miles.

B Includes trackage rights, .99 mile.

C Includes Mileage of Electric Railways.

*Operation discontinued May 17, 1925.

ROAD AND LEASED ROADS

DECEMBER 31, 1925—Concluded

MILEAGE									
Owned Roads		Leased Roads		Total Road Operated	Second Track	Third Track	Side Tracks	Total Track Operated	
Main Lines	Branch Lines	Main Lines	Branch Lines						
1,041.06	617.08	331.28	222.60	2,212.02	608.61	6.06	1,357.01	4,183.70	
		4.41			4.41			8.82	
		3.84			.55			4.39	
		7.51			2.54			10.05	
		3.80		19.56	3.66			7.46	
			.16					.16	
		.23		.39	.23			.46	
		2.03		2.03	2.00			4.03	
					.99	.99		1.98	
					6.91			6.91	
		2.95		2.95				2.95	
		.34		.34				.34	
		10.55		10.55				10.55	
		35.66	.16	35.82	21.29	.99		58.10	
1,041.06	617.08	366.94	222.76	2,247.84	629.90	7.05	1,357.01	4,241.80	
	14.14						1.03	15.17	
	28.71						1.84	30.55	
	42.85			42.85			2.87	45.72	
1,041.06	659.93	366.94	222.76	2,290.69	629.90	7.05	1,359.88	4,287.52	
7.92				7.92	7.92		5.55	21.39	

MILEAGE

BY OPERATING DIVISIONS	Total Road Operated	Second Track	Third Track	Side Tracks	Total Track Operated
Terminal Division.....	13.91	11.89		177.26	203.06
Portland ".....	628.48	202.76		260.30	1,091.54
Southern ".....	679.37	136.96	0.09	381.93	1,198.35
Fitchburg-Berkshire Division.....	404.02	206.36	6.96	319.42	936.76
White Mountains-Passumpsic Division.....	373.24	1.62		134.97	509.83
Connecticut River Division.....	148.82	70.31		83.13	302.26
Portsmouth Electric.....	14.14			1.03	15.17
Concord Electric.....	28.71			1.84	30.55
<i>Total</i>	2,290.69	629.90	7.05	1,359.88	4,287.52
BY STATES					
Massachusetts.....	764.09	400.06	4.86	790.42	1,959.43
New Hampshire.....	1,048.92	115.47		360.86	1,525.25
Maine.....	157.30	45.71		32.45	235.46
New York.....	122.54	52.48	2.19	109.74	286.95
Vermont.....	159.41	16.18		56.03	231.62
Province of Quebec.....	38.43			10.38	48.81
<i>Total</i>	2,290.69	629.90	7.05	1,359.88	4,287.52

No. 12

INVENTORY OF EQUIPMENT

(INCLUDING VERMONT VALLEY AND SULLIVAN COUNTY RAILROADS)

DESCRIPTION	December 31, 1925 (See Note)	December 31, 1924 (See Note)
LOCOMOTIVES		
Freight.....	439	457
Passenger.....	366	388
Switching.....	244	256
Electric.....	7	7
<i>Total</i>	1,056	1,108
<i>Total Tractive Power of Steam Locomotives (pounds)</i>	30,789,550	31,892,450
<i>Average Tractive Power per Steam Locomotive (pounds)</i>	29,351	28,784
<i>Locomotives Equipped with Superheaters</i>	472	432
PASSENGER CAR EQUIPMENT		
Coaches.....	1,038	1,118
Combination Passenger Cars.....	214	222
Other Combination Cars.....	50	51
Dining Cars.....	12	12
Baggage and Express Cars.....	271	298
Postal Cars.....	16	16
Other Passenger-Train Cars.....	†101	†96
<i>Total</i>	*1,702	*1,813
FREIGHT CAR EQUIPMENT		
Box Cars.....	10,978	11,518
Flat Cars.....	746	764
Stock Cars.....	40	49
Coal and Coke Cars.....	5,371	6,025
Refrigerator Cars.....	371	392
Caboose Cars.....	401	411
Other Freight-Train Cars.....	2	9
<i>Total</i>	17,909	19,168
<i>Aggregate Capacity of Cars in Freight Service (tons of 2,000 lbs.)</i>	605,893	643,901
<i>Average Carrying Capacity per Freight Car</i>	34.6	34.3
COMPANY SERVICE EQUIPMENT		
Officers' and Pay Cars.....	9	11
Ballast Cars.....	100	100
Derrick Cars.....	20	23
Steam Shovels.....	9	9
Wrecking Cars.....	92	92
Other Company Service Cars.....	801	1,013
<i>Total</i>	1,031	1,248
<i>Total, All Classes of Cars</i>	20,642	22,229
ELECTRIC RAILWAY EQUIPMENT		
Passenger Cars.....	36	55
Snow Plows.....	2	7
Other Cars.....	4	6
<i>Total</i>	42	68

NOTE.—Includes 30 freight, 10 passenger and 24 switching locomotives, 65 coaches, 20 smoking cars, 8 combination baggage and smoking cars, 5 baggage and mail cars, 25 milk cars, 1,599 coal cars, 498 box cars, 200 refrigerator cars and 300 flat cars purchased under Equipment Trust Agreements.

*Includes 10 Passenger and 4 Baggage Cars in service between Boston and Montreal, 68.33 per cent of which are owned by this Company; also 8 Passenger and 4 Baggage Cars, 24.83 per cent of which are owned by this Company, and 1 Passenger Car, 31.02 per cent of which is owned by this Company, in service between Boston and St. John, N. B.

†Includes 8 rail motor cars and 4 trailers.

‡Includes 1 rail motor car.

No. 13

CLASSIFICATION OF FREIGHT TRAFFIC (INCLUDING VERMONT VALLEY AND SULLIVAN COUNTY RAILROADS)

	Year Ended Dec. 31, 1925 Tons of 2000 lbs.	Per Cent of Total	Year Ended Dec. 31, 1924 Tons of 2000 lbs.	Per Cent of Total	Increase or Decrease in Tonnage
PRODUCTS OF AGRICULTURE:					
Wheat.....	83,719	.4	90,613	.4	Dec. 6,894
Corn.....	209,125	.9	231,993	1.0	Dec. 22,868
Oats.....	221,049	.9	245,085	1.1	Dec. 24,036
Other Grain.....	78,613	.3	51,249	.2	Inc. 27,364
Flour and Meal.....	358,098	1.5	357,898	1.6	Inc. 200
Other Mill Products.....	509,255	2.2	549,070	2.4	Dec. 39,815
Hay, Straw and Alfalfa.....	244,476	1.0	307,719	1.4	Dec. 63,243
Tobacco.....	9,580	.0	9,986	.0	Dec. 406
Cotton.....	230,643	1.0	167,272	.7	Inc. 72,371
Cotton Seed and Products, except Oil.....	19,132	.1	16,303	.1	Inc. 2,829
Citrus Fruits.....	52,582	.2	69,707	.3	Dec. 17,125
Other Fresh Fruits.....	181,198	.8	180,103	.8	Inc. 1,095
Potatoes.....	950,277	4.0	786,853	3.5	Inc. 163,424
Other Fresh Vegetables.....	98,812	.5	91,473	.4	Inc. 7,339
Dried Fruits and Vegetables.....	16,069	.1	12,490	.1	Inc. 3,579
Other Products of Agriculture.....	94,249	.4	91,502	.5	Inc. 2,747
Total.....	3,365,877	14.3	3,259,316	14.5	Inc. 106,561
PRODUCTS OF ANIMALS:					
Horses and Mules.....	5,210	.0	5,491	.0	Dec. 281
Cattle and Calves.....	43,670	.2	49,105	.2	Dec. 5,435
Sheep and Goats.....	2,286	.1	2,294	.0	Dec. 8
Hogs.....	16,037	.1	19,759	.1	Dec. 3,722
Fresh Meats.....	124,683	.5	134,757	.6	Dec. 10,074
Other Packing House Products.....	52,652	.2	63,413	.3	Dec. 10,761
Poultry.....	14,958	.1	18,601	.1	Dec. 3,643
Eggs.....	31,468	.1	28,754	.1	Inc. 2,714
Butter and Cheese.....	36,627	.1	38,243	.2	Dec. 1,616
Wool.....	85,589	.4	82,738	.4	Inc. 2,851
Hides and Leather.....	140,924	.6	145,352	.6	Dec. 4,428
Other Products of Animals.....	75,725	.3	72,167	.3	Inc. 3,558
Total.....	629,829	2.7	660,674	2.9	Dec. 30,845
PRODUCTS OF MINES:					
Anthracite Coal.....	2,159,876	9.2	2,694,585	11.9	Dec. 534,709
Bituminous Coal.....	2,842,258	11.9	2,305,622	10.2	Inc. 536,636
Coke.....	241,291	1.0	127,605	.6	Inc. 113,686
Iron Ore.....	5,159	.0	1,484	.1	Inc. 3,675
Other Ores and Concentrates.....	11,218	.1	6,917	.0	Inc. 4,301
Clay, Gravel, Sand and Stone.....	922,616	3.9	853,001	3.8	Inc. 69,615
Asphaltum.....	27,077	.1	26,469	.1	Inc. 608
Salt.....	102,399	.5	116,041	.5	Dec. 13,642
Other Products of Mines.....	82,657	.4	82,777	.5	Dec. 120
Total.....	6,394,551	27.1	6,214,501	27.7	Inc. 180,050
PRODUCTS OF FORESTS:					
Logs, Posts, Poles and Cord Wood.....	129,188	.5	150,731	.7	Dec. 21,543
Ties.....	33,286	.1	19,851	.1	Inc. 13,435
Pulp Wood.....	451,896	2.0	373,522	1.6	Inc. 78,374
Lumber, Timber, Box Shooks, Staves and Headings.....	1,996,593	8.4	2,047,557	9.1	Dec. 50,964
Other Products of Forests.....	167,159	.8	167,191	.8	Dec. 32
Total.....	2,778,122	11.8	2,758,852	12.3	Inc. 19,270
MANUFACTURES AND MISCELLANEOUS:					
Refined Petroleum and its Products.....	1,058,964	4.5	965,758	4.3	Inc. 93,206
Vegetable Oils.....	13,188	.1	10,257	.1	Inc. 2,931
Sugar, Sirup, Glucose and Molasses.....	255,504	1.1	232,378	1.0	Inc. 23,126
Boats and Vessel Supplies.....	885	.0	1,096	.0	Dec. 211
Iron, Pig and Bloom.....	109,836	.5	94,422	.4	Inc. 15,414
Rails and Fastenings.....	13,132	.1	23,114	.1	Dec. 9,982
Bar and Sheet Iron, Structural Iron and Iron Pipe.....	319,756	1.3	258,185	1.1	Inc. 61,571
Other Metals, Pig, Bar and Sheet.....	52,924	.2	45,216	.2	Inc. 7,708
Castings, Machinery and Boilers.....	183,122	.8	172,916	.8	Inc. 10,206
Cement.....	395,094	1.7	400,148	1.9	Dec. 5,054
Brick and Artificial Stone.....	368,411	1.5	251,944	1.1	Inc. 116,467
Lime and Plaster.....	187,057	.8	166,965	.7	Inc. 20,092
Sewer Pipe and Drain Tile.....	31,663	.1	27,686	.1	Inc. 3,977
Agricultural Implements and Vehicles other than Automobiles.....	15,987	.1	24,807	.1	Dec. 8,820
Automobiles and Auto Trucks.....	169,574	.7	132,732	.6	Inc. 36,842
Household Goods and Second-hand Furniture.....	3,513	.0	4,231	.0	Dec. 718
Furniture (new).....	35,431	.2	34,661	.2	Inc. 770
Beverages.....	18,296	.1	16,114	.1	Inc. 2,182
Ice.....	632,143	2.7	575,191	2.5	Inc. 56,952
Fertilizers (all kinds).....	125,592	.5	141,416	.6	Dec. 15,824
Paper, Printed Matter and Books.....	901,330	3.8	911,154	4.0	Dec. 9,824
Chemicals and Explosives.....	304,138	1.3	290,073	1.3	Inc. 14,065
Textiles.....	131,095	.6	126,996	.6	Inc. 4,099
Canned Goods (all Canned Food Products).....	118,252	.5	105,456	.5	Inc. 12,796
Other Manufactures and Miscellaneous.....	3,241,673	13.6	2,899,175	12.9	Inc. 342,498
Total.....	8,686,560	36.8	7,912,091	35.2	Inc. 774,469
Grand Total, Carload Traffic.....	21,854,939	92.7	20,805,434	92.6	Inc. 1,049,505
Merchandise—All L. C. L. Freight.....	1,718,838	7.3	1,659,478	7.4	Inc. 59,360
Grand Total, Carload and L. C. L. Traffic.....	23,573,777	100.0	22,464,912	100.0	Inc. 1,108,865

No. 14

TRAFFIC AND OPERATING STATISTICS

(INCLUDING VERMONT VALLEY AND SULLIVAN COUNTY RAILROADS,
ELECTRIC RAILWAYS AND BUS OPERATIONS NOT INCLUDED)

	Year ended Dec. 31, 1925	Year ended Dec. 31, 1924	Increase or Decrease	Per Cent
FREIGHT				
Tons of revenue freight carried.....	23,573,777	22,464,912	Inc. 1,108,865	4.94
Tons of company freight carried.....	2,028,001	2,205,095	Dec. 177,094	8.03
Total tons of freight carried.....	25,601,778	24,670,007	Inc. 931,771	3.78
Tons of revenue freight carried one mile.....	2,955,885,209	2,856,979,281	Inc. 98,905,928	3.46
Tons of company freight carried one mile.....	126,335,347	143,396,949	Dec. 17,061,602	11.90
Total tons of freight carried one mile.....	3,082,220,556	3,000,376,230	Inc. 81,844,326	2.73
Freight revenue.....	\$51,422,232.20	\$49,105,965.48	Inc. \$2,316,266.72	4.72
AVERAGES				
Average miles hauled — revenue freight.....	125.39	127.18	Dec. 1.79	1.41
Average miles hauled — non-revenue freight.....	62.30	65.03	Dec. 2.73	4.30
Average miles hauled — all freight.....	120.39	121.62	Dec. 1.23	1.01
Tons of revenue freight per revenue train mile (including mixed service).....	487.17	469.42	Inc. 17.75	3.78
Tons of all freight per revenue train mile (including mixed service).....	507.99	492.98	Inc. 15.01	3.04
*Tons of revenue freight per loaded car mile (including mixed service).....	19.28	19.61	Dec. .33	1.68
*Tons of all freight per loaded car mile (including mixed service).....	20.10	20.60	Dec. .50	2.43
*Freight cars per revenue train mile (including mixed service).....	35.40	33.81	Inc. 1.59	4.70
*Loaded cars per revenue train mile (including mixed service).....	25.31	23.96	Inc. 1.35	5.63
*Empty cars per revenue train mile (including mixed service).....	10.09	9.85	Inc. .24	2.44
Revenue per ton of freight.....	\$2.18133	\$2.18590	Dec. \$.00457	.21
Revenue per ton per mile..... (cents)	1.740	1.719	Inc. .021	1.22
Revenue per revenue train mile (including mixed service).....	\$8.475	\$8.068	Inc. \$.407	5.04
*Freight revenue per loaded car mile (including mixed service)..... (cents)	33.535	33.710	Dec. .175	.52
PASSENGER				
Passenger Revenue:				
Monthly Commutation Ticket Passengers.....	\$1,498,070.53	\$1,557,892.37	Dec. \$59,821.84	3.84
All other Commutation Ticket Passengers.....	2,612,662.97	2,783,983.13	Dec. 171,320.16	6.15
Single Fare Ticket Passengers (not including interline).....	10,623,371.42	11,843,683.98	Dec. 1,220,312.56	10.30
Interline Ticket Passengers.....	4,958,564.42	4,979,351.73	Dec. 20,787.31	.42
**Total Passenger Revenue.....	\$20,008,934.73	\$21,476,527.92	Dec. \$1,467,593.19	6.83
Total Passenger Service Train Revenue (Accts. 102 to 109 inclusive).....	\$26,937,020.28	\$28,137,113.69	Dec. \$1,200,093.41	4.27
Number of Passengers Carried:				
Monthly commutation ticket passengers.....	7,621,083	8,171,990	Dec. 550,907	6.74
All other commutation ticket passengers.....	16,086,154	17,196,322	Dec. 1,110,168	6.86
Single fare ticket passengers (not including interline).....	11,497,912	13,004,971	Dec. 1,507,059	11.59
Interline ticket passengers.....	1,685,370	1,694,107	Dec. 8,737	.52
Total number of passengers carried.....	36,890,519	40,067,390	Dec. 3,176,871	7.93
Number of Passengers Carried one mile:				
Monthly commutation ticket passengers.....	151,160,008	156,972,002	Dec. 5,811,994	3.70
All other commutation ticket passengers.....	139,002,881	149,200,011	Dec. 10,197,130	6.83
Single fare ticket passengers (not including interline).....	303,321,937	334,022,999	Dec. 30,701,062	9.19
Interline ticket passengers.....	146,641,735	144,564,185	Inc. 2,077,550	1.44
Total number of passengers carried one mile.....	740,126,561	784,759,197	Dec. 44,632,636	5.69
Number of passengers to and from Boston, including monthly ticket passengers.....	26,001,054	27,754,471	Dec. 1,753,417	6.32
AVERAGES				
Average distance carried per passenger (miles).....	20.06	19.59	Inc. .47	2.40
Number of passengers per train mile (including mixed service).....	75.91	78.98	Dec. 3.07	3.89
Number of passengers per car mile (including mixed service).....	21.47	22.05	Dec. .58	2.63
Number of cars per train mile (including mail, baggage and express cars) (including mixed service).....	5.36	5.40	Dec. .04	.74
Revenue per passenger.....** (cents)	54.24	53.60	Inc. .64	1.16
Revenue per passenger mile, monthly commutation ticket passengers..... (cents)	.991	.992	Dec. .001	.10
Revenue per passenger mile, other commutation ticket passengers..... (cents)	1.880	1.866	Inc. .014	.75
Revenue per passenger mile, single-fare not including interline..... (cents)	3.502	3.546	Dec. .044	1.24
Revenue per passenger mile, interline passengers..... (cents)	3.381	3.444	Dec. .063	1.83
Revenue per passenger mile, all passengers.....** (cents)	2.703	2.737	Dec. .034	1.24
Passenger revenue per passenger car mile (including mixed service)..... (cents)	58.051	60.341	Dec. 2.290	3.80
Total passenger service train revenue per train mile (including mixed service).....	\$2.762	\$2.832	Dec. \$.070	2.47
TOTAL TRAFFIC				
Operating revenues.....	\$81,414,499.55	\$80,212,854.01	Inc. \$1,201,645.54	1.50
Operating expenses.....	62,810,967.25	64,765,967.37	Dec. 1,955,000.12	3.02
Net operating revenue.....	\$18,603,532.30	\$15,446,886.64	Inc. \$3,156,645.66	20.44
Operating ratio.....	77.15%	80.74%	Dec. (3.59)	4.45
Average miles of road operated during year.....	2,262.38	2,292.33	Dec. 29.95	1.31
AVERAGES PER MILE OF ROAD				
Operating revenues.....	\$35,986.22	\$34,991.84	Inc. \$994.38	2.84
Operating expenses.....	27,763.23	28,253.33	Dec. 490.10	1.78
Net operating revenue.....	\$8,222.99	\$6,738.51	Inc. \$1,484.48	22.03
Freight revenue.....	\$22,729.26	\$21,421.86	Inc. \$1,307.40	6.10
Passenger service train revenue.....	\$11,906.50	\$12,274.46	Dec. \$367.96	3.00
Ton miles revenue freight.....	1,306,538	1,246,321	Inc. 60,217	4.83
Ton miles all freight.....	1,362,380	1,308,876	Inc. 53,504	4.09
Freight train miles.....	327,145	342,341	Dec. 15,196	4.44
Passenger train miles.....	2,653	2,620	Inc. 33	1.26
Mixed train miles.....	4,302	4,323	Dec. 21	.49
Special train miles.....	37	46	Dec. 9	19.57
Train miles — total revenue.....	19	19	—	—
Work train miles.....	7,011	7,008	Inc. 3	.04
Locomotive miles — excluding work service.....	137	140	Dec. 3	2.14
Freight service car miles (including mixed and special service)..... †	10,076	9,931	Inc. 145	1.46
Passenger service car miles (including mixed and special service).....	97,747	92,519	Inc. 5,228	5.65
	23,207	23,502	Dec. 295	1.26

* Does not include Caboose Car Mileage.
** Includes Sleeping and Parlor Car surcharge.

† Includes "Exclusive work equipment."

TRAFFIC AND OPERATING STATISTICS — *Concluded*

	Year ended Dec. 31, 1925	Year ended Dec. 31, 1924	Increase or Decrease	Per Cent.
AVERAGES PER REVENUE TRAIN MILE				
Operating revenues.....	\$5.13	\$4.99	Inc. \$0.14	2.81
Operating expenses.....	3.96	4.03	Dec. 0.07	1.74
Net operating revenue.....	\$1.17	\$0.96	Inc. \$0.21	21.88
Loaded freight car miles — freight trains.....	25.49	24.19	Inc. 1.30	5.37
Loaded freight car miles — mixed trains.....	4.17	3.59	Inc. .58	16.16
Empty freight car miles — freight trains.....	10.18	9.96	Inc. .22	2.21
Empty freight car miles — mixed trains.....	1.66	1.10	Inc. .56	50.91
Passenger train car miles — passenger trains.....	5.36	5.40	Dec. .04	.74
Passenger train car miles — mixed trains.....	1.63	1.53	Inc. .10	6.54
AVERAGES PER REVENUE LOCOMOTIVE MILE				
Train miles — freight trains.....	.80	.82	Dec. .02	2.44
Car miles — freight trains.....	29.14	28.94	Inc. .20	.69
Train miles — passenger trains.....	.94	.95	Dec. .01	1.05
Car miles — passenger trains.....	5.09	5.09	—	—
Train miles — mixed trains.....	.93	.95	Dec. .02	2.11
Car miles — mixed trains.....	6.98	5.94	Inc. 1.04	17.51
Train miles — special trains.....	.91	.95	Dec. .04	4.21
Car miles — special trains.....	4.87	5.27	Dec. .40	7.59
*LOCOMOTIVE MILEAGE				
Freight service.....	7,570,123	7,454,990	Inc. 115,133	1.54
Passenger service.....	10,240,799	10,519,223	Dec. 278,424	2.65
Mixed service.....	90,013	112,023	Dec. 22,010	19.65
Special service.....	47,078	45,468	Inc. 1,610	3.54
Train switching.....	627,591	602,197	Inc. 25,394	4.22
Yard switching.....	4,219,461	4,219,265	Inc. 196	—
Total transportation service.....	22,795,065	22,953,166	Dec. 158,101	.69
Work service.....	430,880	446,442	Dec. 15,562	3.49
Total locomotive miles.....	23,225,945	23,399,608	Dec. 173,663	.74
TRAIN MILEAGE				
Freight service.....	6,001,966	6,005,753	Dec. 3,787	.06
Passenger service.....	9,732,380	9,918,652	Dec. 186,272	1.88
Mixed service**.....	83,748	106,705	Dec. 22,957	21.51
Special service.....	42,978	42,583	Inc. 395	.93
Total revenue train miles.....	15,861,072	16,073,693	Dec. 212,621	1.32
Work service.....	310,688	322,045	Dec. 11,357	3.65
Total train miles.....	16,171,760	16,395,738	Dec. 223,978	1.37
CAR MILEAGE				
Freight-Train Car Miles:				
Loaded.....	152,988,126	145,289,690	Inc. 7,698,436	5.30
Empty.....	61,102,509	59,821,137	Inc. 1,281,372	2.14
Exclusive work equipment.....	208,012	172,468	Inc. 35,544	20.61
Caboose.....	6,287,649	6,233,013	Inc. 54,636	.88
Total freight-train car miles.....	220,586,296	211,516,308	Inc. 9,069,988	4.29
Passenger-Train Car Miles:				
Passenger.....	28,003,587	29,379,220	Dec. 1,375,633	4.68
Sleeping and parlor.....	6,350,316	6,077,743	Inc. 272,573	4.48
Dining.....	332,139	290,643	Inc. 41,496	14.28
Other.....	17,512,849	17,800,125	Dec. 287,276	1.61
Total passenger-train car miles.....	52,198,891	53,547,731	Dec. 1,348,840	2.52
Mixed-Train Car Miles:				
Freight — Loaded.....	348,943	383,000	Dec. 34,057	8.89
Freight — Empty.....	139,349	117,179	Inc. 22,170	18.92
Exclusive work equipment.....	1,362	2,115	Dec. 753	55.60
Caboose.....	2,417	64	Inc. 2,353	—
Passenger carrying.....	114,007	137,163	Dec. 23,156	16.88
Other passenger.....	22,266	26,226	Dec. 3,960	15.10
Total mixed-train car miles.....	628,344	665,747	Dec. 37,403	5.62
Special-Train Car Miles:				
Freight service.....	61,921	65,282	Dec. 3,361	5.15
Passenger service.....	167,504	172,073	Dec. 4,569	2.66
Total special-train car miles.....	229,425	237,355	Dec. 7,930	3.34
Total transportation service.....	273,642,956	265,967,141	Inc. 7,675,815	2.89
Work service.....	1,067,841	917,103	Inc. 150,738	16.44
Total car miles.....	274,710,797	266,884,244	Inc. 7,826,553	2.93

* Includes electric locomotive miles.

** Proportioned to Freight and Passenger Service, in computing Train Mile Statistics, on basis of freight and passenger car miles in mixed trains.

No. 15
REPORT OF THE TRUSTEE
OF THE
SINKING FUND

FOR REDEMPTION OF

BOSTON AND MAINE RAILROAD

IMPROVEMENT BONDS

\$1,919,000 AT 4 PER CENT

DATED FEBRUARY 1, 1887, DUE FEBRUARY 1, 1937

1925			
January 1	Balance.....		\$2,333,791 62
December 31	Income for year.....		123,736 16
	Balance — Payments to Fund.....	\$1,029,270 00	
	Income, etc.....	1,428,257 78	\$2,457,527 78

Par Value		INVESTMENTS	Cost (Including Accrued Interest)
\$41,000 00	3 1/2%	Bonds of Boston and Maine R.R. due 1925 (5% from April 1, 1925).....	\$36,849 73
553,000 00	4 %	Bonds of Boston and Maine R.R. due 1926.....	449,629 46
17,000 00	4 %	Bonds of Fitchburg R.R. Co. due 1927.....	11,678 59
7,000 00	4 %	Bonds of Fitchburg R.R. Co. due 1927.....	5,437 44
916,000 00	4 1/2%	Bonds of Boston and Maine R.R. due 1929.....	753,813 03
203,500 00	6 %	Series F Mortgage Bonds of Boston and Maine R.R. due 1930.....	191,908 41
59,000 00	7 %	Series I Mortgage Bonds of Boston and Maine R.R. due 1931.....	47,488 40
144,000 00	6 %	Series M Mortgage Bonds of Boston and Maine R.R. due 1933.....	127,923 08
1,000 00	4 %	Bonds of Worcester, Nashua and Rochester R.R. Co. due 1934.....	701 89
529,000 00	4 %	Improvement Bonds of Boston and Maine R.R. due 1937.....	406,216 10
17,000 00	4 %	Bonds of Boston and Maine R.R. due 1942.....	11,271 94
94,000 00	4 1/2%	Bonds of Boston and Maine R.R. due 1944.....	97,812 89
22,000 00	3 %	Bonds of Boston and Maine R.R. due 1950.....	16,940 00
25,900 00		Stock of Boston and Maine R.R. First Preferred Class A (259 shares)...	37,037 00
3,100 00		Stock of Boston and Maine R.R. First Preferred Class D (31 shares)...	7,734 50
3,480 00		Subscription to Boston and Maine R.R. Prior Preference Stock.....	3,480 00
30,000 00	3 1/2%	Bonds of N. Y., N. H. & H. R.R. Co. due 1954.....	24,130 00
40,000 00	4 %	Bonds of N. Y., N. H. & H. R.R. Co. due 1956.....	37,333 46
45,000 00	4 %	Bonds of Portland Union Ry. Station Co. due 1927.....	45,301 56
20,000 00	4 %	Bonds of Portland Union Ry. Station Co. due 1929.....	20,075 55
18,000 00	4 1/2%	Bonds of Portland & Odgensburg Ry. due 1928.....	18,931 50
8,000 00	4 %	Bonds of European & No. American Ry. due 1933.....	9,198 24
15,000 00	5 %	Bonds of Concord & Claremont, N. H. R.R. due 1944.....	15,002 08
20,000 00	4 1/2%	Bonds of Pennsylvania R.R. Co. due 1960.....	19,431 25
20,000 00	4 %	Bonds of Chicago, Milwaukee & St. Paul Ry. Co. due 1989.....	14,984 33
20,000 00	4 %	Bonds of Northern Pacific Ry. Co. due 1997.....	16,255 25
10,000 00	4 1/4%	Bonds of Great Northern Ry. Co. due 1961.....	9,748 92
17,000 00	4 1/4%	U. S. Government Liberty Bonds — 3rd Loan.....	17,000 00
<u>\$2,898,980 00</u>		Total.....	<u>\$2,453,314 60</u>
		Cash.....	4,213 18
		Grand Total.....	<u>\$2,457,527 78</u>

BOSTON SAFE DEPOSIT AND TRUST CO., *Trustee,*

FRANCIS J. BURRAGE,

Secretary.

BOSTON, MASS., December 31, 1925.

(See note on Balance Sheet, Table No. 1.)

No. 16

COMBINED STATEMENT OF INCOME ACCOUNT

Including the Boston and Maine Railroad, and Leased Lines, Vermont Valley Railroad, Sullivan County Railroad, York Harbor and Beach Railroad Company, Mount Washington Railway Company, Montpelier and Wells River Railroad, and Barre and Chelsea Railroad Company with inter-company transactions for rental of road, interest and dividends eliminated.

YEAR ENDED DECEMBER 31, 1925, COMPARED WITH PREVIOUS YEAR

	Year Ended December 31, 1925	Year Ended December 31, 1924
OPERATING REVENUES:		
Freight.....	\$51,826,595 89	\$49,556,763 48
Passenger.....	20,308,830 99	21,852,788 82
Mail.....	1,320,328 42	1,340,684 55
Express.....	3,140,057 23	2,910,436 03
Other Transportation.....	3,504,309 30	3,360,096 05
Incidental.....	2,103,854 25	2,097,637 65
Joint Facility Operating Revenues.....	6,860 74	6,415 16
<i>Total Operating Revenues.....</i>	<i>\$82,210,836 82</i>	<i>\$81,124,821 74</i>
OPERATING EXPENSES:		
Maintenance of Way and Structures.....	\$10,379,487 58	\$10,383,492 09
Maintenance of Equipment.....	15,998,068 48	16,637,395 13
Traffic.....	806,764 64	709,369 52
Transportation.....	33,118,374 96	34,767,052 73
Miscellaneous.....	295,297 33	283,705 98
General.....	2,931,807 07	2,796,275 24
Transportation for Investment — Cr.....	2,358 78	1,646 11
<i>Total Operating Expenses.....</i>	<i>\$63,527,441 28</i>	<i>\$65,575,644 58</i>
<i>Net Operating Revenue.....</i>	<i>\$18,683,395 54</i>	<i>\$15,549,177 16</i>
Tax Accruals.....	\$3,217,411 27	\$3,146,685 32
Uncollectible Railway Revenues.....	18,641 23	12,087 96
<i>Total.....</i>	<i>\$3,236,052 50</i>	<i>\$3,158,773 28</i>
<i>Operating Income.....</i>	<i>\$15,447,343 04</i>	<i>\$12,390,403 88</i>
Rents from Other Equipment (excluding Freight Cars).....	452,830 71	423,195 33
Joint Facility Rent Income.....	134,666 34	162,233 42
<i>Total.....</i>	<i>\$16,034,840 09</i>	<i>\$12,975,832 63</i>
Hire of Freight Cars — Debit Balance.....	\$2,909,087 90	\$2,614,451 75
Rents for Other Equipment.....	434,795 56	458,654 86
Joint Facility Rents.....	327,491 59	391,703 36
<i>Total.....</i>	<i>\$3,671,375 05</i>	<i>\$3,464,809 97</i>
<i>Net Railway Operating Income.....</i>	<i>\$12,363,465 04</i>	<i>\$9,511,022 66</i>
OTHER INCOME:		
Income from Lease of Road.....	\$18,000 00	\$18,000 00
Miscellaneous Rent Income.....	286,309 06	297,609 81
Miscellaneous Nonoperating Physical Property.....	11,663 16	4,630 97
Dividend Income.....	52,360 00	52,460 00
Income from Funded Securities.....	54,266 83	4,514 00
Income from Unfunded Securities and Accounts.....	250,378 01	126,163 98
Income from Sinking and Other Reserve Funds.....	11,662 83	11,954 26
Release of Premiums on Funded Debt.....	33,770 83	41,604 44
Miscellaneous Income.....	8,207 94	Dr. 269,402 64
<i>Total Other Income.....</i>	<i>\$726,618 66</i>	<i>\$287,534 82</i>
<i>Total Income.....</i>	<i>\$13,090,083 70</i>	<i>\$9,798,557 48</i>
OTHER DEDUCTIONS FROM INCOME:		
Rent for Leased Roads.....	\$1,001,350 89	\$1,014,841 39
Miscellaneous Rents.....	6,525 24	6,479 82
Interest on Funded Debt.....	6,594,080 50	6,628,491 13
Interest on Unfunded Debt.....	5,179 86	19,332 23
Amortization of Discount on Funded Debt.....	85,904 78	85,904 78
Miscellaneous Income Charges.....	5,200 00	1,196 18
<i>Total Other Deductions.....</i>	<i>\$7,698,241 27</i>	<i>\$7,756,245 53</i>
<i>Net Income.....</i>	<i>\$5,391,842 43</i>	<i>\$2,042,311 95</i>

No. 17

INCOME ACCOUNT, NET CHANGES IN PROFIT AND LOSS
YEARS ENDED JUNE 30, 1910 TO 1917, INCLUSIVE, AND

	Years Ended June 30							
	1910	1911	1912	1913	1914	1915	1916	1917
OPERATING REVENUES:								
Freight.....	\$25,451,237	\$25,891,481	\$26,811,513	\$28,692,689	\$27,912,397	\$26,912,397	\$31,963,489	\$33,909,489
Passenger.....	14,876,069	15,757,698	15,937,565	16,303,394	16,111,548	15,502,197	15,028,317	16,878,751
Mail.....	446,127	445,124	445,593	447,667	492,764	487,727	475,411	706,763
Express.....	1,228,423	1,256,217	1,217,398	1,293,761	1,218,780	1,286,819	1,583,458	1,952,559
Other.....	1,847,335	2,018,973	2,225,530	2,508,339	2,424,797	2,483,909	3,024,753	3,544,472
Total Operating Revenues.....	\$43,849,191	\$45,369,493	\$46,637,599	\$49,245,850	\$48,160,286	\$46,673,049	\$52,075,428	\$56,992,040
OPERATING EXPENSES:								
Maint. of Way and Structures.....	\$5,286,756	\$6,128,638	\$5,877,494	\$5,501,310	\$6,700,913	\$7,197,017	\$5,986,603	\$6,414,842
Maintenance of Equipment.....	5,473,577	6,296,341	6,463,029	7,809,657	7,835,146	6,697,311	6,588,044	7,881,109
Traffic.....	544,224	500,399	475,962	454,666	466,600	448,090	421,797	426,841
Transportation.....	19,227,665	21,378,120	21,383,638	23,211,934	22,434,904	20,178,333	21,757,066	26,085,259
Miscellaneous Operations.....	228,887	223,477	279,623	305,028	248,878	200,170	206,157	276,686
General.....	1,019,971	1,107,901	1,111,362	1,363,259	1,169,778	1,188,851	1,238,292	1,363,339
Total Operating Expenses.....	\$31,781,080	\$35,634,876	\$35,591,108	\$38,645,854	\$38,856,219	\$35,909,772	\$36,197,959	\$42,448,076
Operating Ratio.....	72.5%	78.5%	76.3%	78.5%	80.7%	76.9%	69.5%	74.5%
Net Operating Revenue.....	\$12,068,111	\$9,734,617	\$11,046,491	\$10,599,996	\$9,304,067	\$10,763,277	\$15,877,469	\$14,543,964
TAX ACCRUALS.....	\$2,076,880	\$2,089,905	\$2,086,863	\$2,025,629	\$2,059,017	\$1,978,223	\$1,986,267	\$2,123,477
UNCOLLECTIBLE REVENUES.....						5,944	2,624	1,236
Operating Income.....	\$9,991,231	\$7,644,712	\$8,959,628	\$8,574,367	\$7,245,050	\$8,779,110	\$13,888,578	\$12,419,251
RENTS FROM EQUIPMENT (Ex- cluding Freight Cars).....	191,045	236,290	237,353	391,500	391,186	318,087	338,868	397,245
JOINT FACILITY RENT INCOME.....	163,151	73,051	76,787	88,146	81,725	78,882	95,314	88,669
Total.....	\$10,345,427	\$7,954,053	\$9,273,768	\$9,054,013	\$7,717,961	\$9,176,079	\$14,322,760	\$12,905,165
HIRE OF FRT. CARS—Dr. Balance.....	\$763,884	\$888,655	\$1,078,561	\$1,817,232	\$1,583,774	\$1,196,325	\$2,074,248	\$2,898,307
RENTS FOR OTHER EQUIPMENT.....	179,831	196,216	222,788	322,583	342,816	307,264	318,560	354,751
JOINT FACILITY RENTS.....	44,530	48,367	166,422	163,079	150,630	161,528	150,181	159,464
Total.....	\$988,245	\$1,133,238	\$1,467,771	\$2,302,894	\$2,077,220	\$1,665,117	\$2,542,989	\$3,412,521
<i>Net Ry. Operating Income</i>	\$9,357,182	\$6,820,815	\$7,805,997	\$6,751,119	\$5,640,741	\$7,510,962	\$11,779,771	\$9,492,644
OTHER INCOME.....	\$578,601	\$788,453	\$796,579	\$1,268,083	\$1,433,685	\$807,505	\$736,533	\$679,940
ADJUSTMENT (See Note A).....								
Total Income.....	\$9,935,783	\$7,609,268	\$8,602,576	\$8,019,202	\$7,074,426	\$8,318,467	\$12,516,304	\$10,172,584
DEDUCTIONS:								
Rent for Leased Roads.....	\$5,296,827	\$5,385,054	\$5,194,378	\$5,312,700	\$5,487,629	\$5,589,406	\$5,626,029	\$5,653,960
Interest and Deductions.....	1,783,910	1,834,171	2,083,703	2,622,061	3,592,053	3,026,561	2,725,477	2,578,056
Other Deductions.....	6,969	5,270	5,462	5,959	10,701	8,177	17,103	10,535
Total Deductions.....	\$7,087,706	\$7,224,495	\$7,283,543	\$7,940,720	\$9,090,383	\$8,624,144	\$8,368,609	\$8,242,551
NET INCOME.....	\$2,848,077	\$384,773	\$1,319,033	\$78,482	\$2,015,957	\$805,677	\$4,147,695	\$1,930,033
INCOME APP. TO SINKING FUNDS.....	\$28,785	\$28,785	\$28,785	\$28,785	\$28,785	\$28,785	\$82,004	\$49,584
ADDITIONS AND BETTERMENTS.....	167,512							
DIVIDENDS.....	1,868,520	1,958,971	1,767,951	1,374,138				
Rate of Dividends { First Preferred.....								
{ Preferred.....	6%	6%	6%	6%				
{ Common.....	6%	5.5%	4%	3%				
TOTAL APPROPRIATIONS.....	\$2,064,817	\$1,987,756	\$1,796,736	\$1,402,923	\$28,785	\$28,785	\$82,004	\$49,584
Surplus or Deficit.....	\$783,260	\$1,602,983	\$477,703	\$1,324,441	\$2,044,742	\$334,462	\$4,065,691	\$1,880,449
Cumulative Surplus or Deficit from 1910.....	\$783,260	\$819,723	\$1,297,426	\$2,621,867	\$4,666,609	\$5,001,071	\$935,380	\$945,069
NET ADDITIONS TO PROFIT AND LOSS ACCOUNT.....	\$950,495	\$1,325,511	\$472,822	\$1,826,386	\$3,139,081	\$660,796	\$3,838,138	\$1,839,001
(Includes Contingent Fund)								
PROFIT AND LOSS BALANCE.....	\$3,610,424	\$2,284,913	\$1,812,091	\$14,295	\$3,153,376	\$3,814,172	\$23,966	\$1,862,967
REVENUE TON MILES (thousands).....	2,346,444	2,365,046	2,460,990	2,721,196	2,635,138	2,416,458	2,961,598	3,257,060
PASSENGER MILES (thousands).....	864,870	862,472	880,741	904,059	896,081	849,948	798,694	891,259

New accounting classifications were issued by the Interstate Commerce Commission, effective July 1, 1907, and July 1, 1914. In the above statement the accounts for the years prior to July 1, 1914, have been restated to conform to the present classification as far as it has been practicable to do so.

* Net Deductions.

D Deficit.

A For the years 1918 to 1923 inclusive, the Corporate and Federal Income Accounts are combined and in order that balances carried to Profit and Loss may agree with Corporate Accounts an adjustment is made eliminating Federal Income Transactions and Clearance Accounts, "Revenues and Expenses prior to January 1, 1918."

No. 17

ACCOUNT, REVENUE TON MILES AND PASSENGER MILES
CALENDAR YEARS 1916 TO 1925, INCLUSIVE

Calendar Years

1916	1917	1918	1919	1920	1921	1922	1923	1924	1925
		(See Note A)	(See Note A)	(See Note A)	(See Note A)	(See Note A)	(See Note A)		(See Note H)
\$3,640,587	\$35,080,737	\$43,085,397	\$43,303,141	\$53,306,738	\$47,660,728	\$48,264,270	\$53,409,041	\$47,944,422	\$51,422,292
3,052,106	17,814,738	19,275,420	22,116,094	24,680,435	23,622,145	22,556,263	23,022,484	21,309,338	20,213,911
529,517	785,781	704,349	506,651	1,118,702	949,172	995,029	913,947	1,286,138	1,311,213
1,789,556	2,032,565	2,615,678	2,870,930	2,624,962	1,571,474	2,919,859	3,122,184	2,804,753	3,126,301
3,371,779	3,736,958	4,476,740	4,138,330	4,921,908	4,486,231	4,984,664	5,843,285	5,352,647	5,555,046
5,383,545	\$59,450,779	\$70,157,584	\$72,935,146	\$86,652,745	\$78,289,750	\$79,720,085	\$86,310,941	\$78,697,298	\$81,628,763
5,132,044	\$6,192,311	\$10,061,998	\$9,612,461	\$15,093,264	\$13,021,679	\$11,136,236	\$11,546,362	\$10,076,152	\$10,241,687
7,088,573	8,786,745	14,231,202	15,287,526	20,168,923	15,920,613	16,093,525	19,489,240	16,289,365	15,893,992
430,298	446,565	481,035	498,722	704,051	710,784	658,822	659,343	694,260	799,145
3,088,459	29,970,443	37,681,968	38,452,351	51,364,669	40,968,463	36,519,362	40,705,825	33,828,789	32,857,838
249,154	295,410	438,087	440,437	476,483	310,780	338,139	300,492	273,641	290,423
1,263,188	1,473,467	1,885,361	2,852,566	3,182,042	2,901,153	2,418,509	2,574,326	2,750,349	2,904,378
8,251,716	\$47,164,941	\$64,779,651	\$67,144,063	\$90,989,432	\$73,833,472	\$67,164,593	\$75,275,588	\$63,912,556	\$62,987,463
39.1%	79.3%	92.3%	92.1%	105.0%	94.3%	84.3%	87.1%	81.2%	77.2%
7,131,829	\$12,285,838	\$5,377,933	\$5,791,083	d\$4,336,687	\$4,456,278	\$12,555,492	\$11,035,353	\$14,784,742	\$18,641,300
2,091,089	\$2,156,649	\$2,317,524	\$3,043,387	\$3,001,088	\$2,668,423	\$2,571,276	\$2,935,235	\$3,040,802	\$3,187,885
3,769	3,791	124	1,062	48,126	7,326	5,365	4,428	11,948	18,638
5,036,971	\$10,125,398	\$3,060,285	\$2,746,634	d\$7,385,901	\$1,780,529	\$9,978,851	\$8,095,690	\$11,731,992	\$15,434,777
371,723	384,815	209,931	152,473	429,261	488,998	467,120	479,837	489,032	450,177
87,078	94,148	88,386	85,898	89,370	118,749	167,337	125,466	160,962	134,520
5,495,772	\$10,604,361	\$3,358,602	\$2,985,005	d\$6,867,270	\$2,388,276	\$10,613,308	\$8,700,993	\$12,381,986	\$16,019,474
2,561,724	\$2,954,175	\$1,526,911	\$877,363	\$4,416,809	\$3,193,312	\$3,740,761	\$4,853,576	\$2,592,303	\$2,868,390
336,851	363,777	162,411	54,853	419,024	372,407	447,334	553,143	436,477	416,107
152,815	144,186	166,084	303,489	215,117	224,325	128,928	215,033	381,184	327,162
3,051,390	\$3,462,138	\$1,855,406	\$1,235,705	\$5,050,950	\$3,790,044	\$4,317,023	\$5,621,752	\$3,409,964	\$3,611,659
2,444,382	\$7,142,223	\$1,503,196	\$1,749,300	d\$11,918,220	d\$1,401,768	\$6,296,285	\$3,079,241	\$8,972,022	\$12,407,815
\$725,819	\$753,953	\$591,023	\$565,039	B\$12,553,442	\$1,047,995	\$797,012	\$745,698	\$466,492	\$987,311
.....	.....	6,258,604	5,712,538	6,247,212	735,665	Dr. 98,430	Dr. 89,070	.....	.....
1,170,201	\$7,896,176	\$8,352,823	\$8,026,877	\$6,882,434	\$381,892	\$6,994,867	\$3,735,869	\$9,438,514	\$13,395,126
6,659,634	\$5,695,962	\$5,562,924	\$928,550	\$927,845	\$923,181	\$920,376	\$902,363	\$925,523	\$1,229,351
2,621,364	2,523,024	2,522,643	4,440,478	5,310,330	6,066,567	6,038,772	6,319,301	6,733,724	6,691,666
12,274	11,467	9,355	326	29,530	4,565	7,728	5,275	6,530	5,200
2,293,272	\$8,230,453	\$8,094,922	\$5,369,354	\$6,267,705	\$6,994,313	\$6,966,876	\$7,226,939	\$7,665,777	\$7,926,217
1,876,929	D \$334,277	\$257,901	\$2,657,523	\$614,729	d\$6,612,421	\$27,991	D \$3,491,070	\$1,772,737	\$5,468,909
\$86,055	\$85,107	\$87,330	\$96,559	\$410,978	\$205,836	\$239,620	\$271,714	\$147,560	\$156,234
.....	.....	.....	.....	G 340,496	G 548,979	G 504,617	G 657,450	G 716,200	G 716,200
.....	.....	.....	2,035,716	1,227,948	.....	.....	.....	.....	.....
.....	.....	.....	C	E	.....	.....	.....	.....	.....
.....	.....	.....	.....	6.67%	.....	.....	.....	.....	.....
\$86,055	\$85,107	\$87,330	\$2,132,275	\$1,979,422	\$754,815	\$744,237	\$929,164	\$863,760	\$872,434
790,874	D \$419,384	\$170,571	\$525,248	D\$1,864,693	D\$7,367,236	D \$716,246	D \$4,420,234	\$908,977	\$4,596,475
1,026,728	\$1,607,344	\$1,777,915	\$2,303,163	\$938,470	D\$6,428,766	D\$7,145,012	D\$11,565,246	D\$10,656,269	D\$6,059,794
644,828	* \$473,515	\$198,727	F\$7,461,670	*\$1,980,854	*\$8,015,271	\$4,640,490	*\$4,640,461	\$3,140,419	*\$1,599
965,237	\$2,491,722	\$2,690,449	F\$10,152,119	\$8,171,265	\$155,994	\$4,796,484	\$156,023	\$3,296,442	\$3,294,843
191,616	3,341,898	3,612,615	3,283,719	3,705,528	2,673,769	2,689,915	3,103,817	2,744,214	2,955,885
849,859	926,966	882,382	976,112	1,014,735	876,113	847,482	867,728	772,428	740,127

B Includes Certificates amounting to \$11,500,000 issued by the Interstate Commerce Commission Account of the Guaranty Period Claim. Final settlement was made in 1923 for \$11,220,615.46, and the difference of \$279,384.54 charged to Profit and Loss. In accordance with I. C. C. instructions transfer of \$279,384.54 was made in 1924 from Profit and Loss to Other Income Account 519.

C First Preferred Class A Stock 4%, Class B 6.4%, Class C 5.6%, Class D 8%, and Class E 3.6%.

E First Preferred Class A Stock 2%, Class B 3.2%, Class C 2.8%, Class D 4%, and Class E 1.8%.

F Includes Profit and Loss Accounts of Roads consolidated December 1, 1919.

G Equipment Trust Installments.

H Includes operation of Vermont Valley and Sullivan County Railroads.

No. 18
YORK HARBOR AND BEACH RAILROAD COMPANY
GENERAL BALANCE SHEET
DECEMBER 31, 1925

ASSETS		LIABILITIES	
Investment in Road.....	\$333,599 90	*Capital Stock—6,000 shares—par \$50	\$300,000 00
Cash.....	17,951 37	Miscellaneous Accounts Payable.....	11,385 11
Time Drafts and Deposits.....	15,000 00	Tax Liability.....	Dr. 534 44
Other Unadjusted Debits.....	299 55	Additions to Property through Income or Surplus	953 24
		Profit and Loss.....	55,046 91
<i>Total</i>	<u>\$366,850 82</u>	<i>Total</i>	<u>\$366,850 82</u>
		*5340 shares owned by Boston and Maine R.R.	

INCOME ACCOUNT

YEAR ENDED DECEMBER 31, 1925, COMPARED WITH PREVIOUS YEAR

	Year Ended December 31, 1925	Year Ended December 31, 1924
OPERATING REVENUES:		
Freight.....	\$15,330 78	\$23,587 82
Passenger.....	18,746 08	33,334 29
Other Transportation.....	10,683 70	7,316 11
Incidental.....	981 29	957 46
<i>Total Operating Revenues</i>	\$45,741 85	\$65,195 68
OPERATING EXPENSES:		
Maintenance of Way and Structures.....	\$14,016 63	\$11,826 92
Maintenance of Equipment.....	2,254 89	2,647 63
Traffic.....	700 85	900 95
Transportation.....	26,105 28	38,403 22
General.....	1,595 34	1,545 34
<i>Total Operating Expenses</i>	\$44,672 99	\$55,324 06
<i>Net Operating Revenue</i>	\$1,068 86	\$9,871 62
Tax Accruals.....	2,937 13	3,549 63
<i>Operating Income</i>	(Loss) \$1,868 27	\$6,321 99
Hire of Freight Cars—Dr. Balance.....	\$5,851 77	\$5,416 98
Rents for Other Equipment.....	4,738 47	4,967 72
<i>Total</i>	\$10,590 24	\$10,384 70
<i>Net Railway Operating Income (Loss)</i>	\$12,458 51	\$4,062 71
Other Income.....	1,916 25	723 28
<i>Net Income (Loss)</i>	\$10,542 26	\$3,339 43

ROAD OPERATED

	Miles of Road	Miles of Track
Kittery Junction to York Beach, Maine.....	11.18	11.18
Spur to U. S. Navy Yard.....	.35	.35
Side Tracks.....	....	1.27
<i>Total Track</i>	11.53	12.80

In June 1925 motor buses of the Boston and Maine Transportation Company were substituted for rail passenger service between Portsmouth, N. H. and York Beach, Me.

No. 19
MOUNT WASHINGTON RAILWAY COMPANY
GENERAL BALANCE SHEET
DECEMBER 31, 1925

ASSETS		LIABILITIES	
Investment in Road and Equipment...	\$190,347 53	*Capital Stock—2,115 shares.....	\$211,500 00
Land at Summit and Base of Mount Washington, N. H.....	56,000 00	Miscellaneous Accounts Payable.....	130 96
Cash.....	26,525 27	Dividend declared.....	10,575 00
Insurance Premiums Paid in Advance	856 12	Accrued Depreciation-Equipment.....	7,144 02
		Additions to Property through Income or Surplus.....	15,777 62
		Accident Fund.....	12,500 00
		Profit and Loss.....	16,101 32
<i>Total</i>	<u>\$273,728 92</u>	<i>Total</i>	<u>\$273,728 92</u>

*Entire stock owned by Boston and Maine R. R.

INCOME ACCOUNT
YEAR ENDED DECEMBER 31, 1925, COMPARED WITH PREVIOUS YEAR

	Year Ended December 31, 1925	Year Ended December 31, 1924
OPERATING REVENUES:		
Passenger.....	\$35,531 56	\$36,025 96
Other Transportation.....	453 70	349 18
Incidental.....	7,726 65	7,764 88
<i>Total Operating Revenues</i>	<u>\$43,711 91</u>	<u>\$44,140 02</u>
OPERATING EXPENSES:		
Maintenance of Way and Structures.....	\$10,014 17	\$11,098 02
Maintenance of Equipment.....	4,410 09	4,163 32
Traffic.....	1,125 59	1,254 34
Transportation.....	11,196 43	10,634 86
Miscellaneous Operations.....	4,874 50	4,841 16
General.....	194 07	234 64
<i>Total Operating Expenses</i>	<u>\$31,814 85</u>	<u>\$32,226 34</u>
<i>Net Operating Revenue</i>	<u>\$11,897 06</u>	<u>\$11,913 68</u>
Tax Accruals.....	1,781 61	1,730 23
<i>Operating Income</i>	<u>\$10,115 45</u>	<u>\$10,183 45</u>
Other Income.....	510 23	251 49
<i>Net Income</i>	<u>\$10,625 68</u>	<u>\$10,434 94</u>
Dividends (5%).....	10,575 00	10,575 00
<i>Balance (Surplus)</i>	<u>\$50 68</u>	<u>(Loss) \$140 06</u>

ROAD OPERATED

	Miles
Base to Summit, Mt. Washington, N. H.....	3.25
Side Tracks.....	.20
<i>Total Track</i>	<u>3.45</u>

No. 20

MONTPELIER AND WELLS RIVER RAILROAD

GENERAL BALANCE SHEET

DECEMBER 31, 1925

ASSETS		LIABILITIES	
Investment in Road and Equipment..	\$1,287,487 78	*Capital Stock—17,896 shares—par \$50	\$894,800 00
Improvements on Leased Railway...		Nonnegotiable Debt to Affiliated	
Property.....	23 15	Companies.....	95,444 21
Miscellaneous Physical Property.....	12,332 65	Traffic and Car Service Balances	
Cash.....	20,000 00	Payable.....	18,492 25
Traffic and Car Service Balances		Audited Accounts and Wages Payable	15,870 92
Receivable	2,275 24	Miscellaneous Accounts Payable.....	469,301 14
Net Balance Receivable from Agents		Dividends Matured Unpaid.....	292 50
and Conductors.....	1,879 04	Unmatured Rents Accrued.....	500 00
Miscellaneous Accounts Receivable...	10,354 43	Tax Liability.....	8,083 00
Material and Supplies.....	46,430 64	Accrued Depreciation—Equipment...	46,743 97
Insurance Premiums Paid in Advance.	16 73	Other Unadjusted Credits.....	265 52
Other Unadjusted Debits.....	315 71	Additions to Property through Income	
		or Surplus.....	19,343 54
		Profit and Loss (<i>Deficit</i>)	188,021 68
<i>Total</i>	<u>\$1,381,115 37</u>	<i>Total</i>	<u>\$1,381,115 37</u>

*17,882 shares owned by the Vermont Valley R. R.
12 " " " " Boston and Maine R. R.

ROAD OPERATED		Miles of Road	Miles of Track
OWNED:			
Montpelier to Wells River, Vt.....		37.98	37.98
Montpelier to Tilden Bridge, Barre, Vt.....		3.85	3.85
Side Tracks.....		....	10.80
<i>Total Miles Owned</i>		<u>41.83</u>	<u>52.63</u>
LEASED:			
BARRE AND CHELSEA RAILROAD CO.:			
Tilden Bridge to Ayer St., Barre, Vt.....		1.67	1.67
Side Tracks.....		....	.74
<i>Total Miles Leased</i>		<u>1.67</u>	<u>2.41</u>
<i>Grand Total Miles Operated</i>		<u>43.50</u>	<u>55.04</u>

No. 21
MONTPELIER AND WELLS RIVER RAILROAD
INCOME ACCOUNT

YEAR ENDED DECEMBER 31, 1925, COMPARED WITH PREVIOUS YEAR

	Year Ended December 31, 1925	Year Ended December 31, 1924
OPERATING REVENUES:		
Freight.....	\$210,984 53	\$241,822 57
Passenger.....	40,642 09	42,601 83
Other Transportation.....	52,432 56	48,562 89
Incidental.....	5,218 30	5,338 13
<i>Total Operating Revenues.....</i>	<i>\$309,277 48</i>	<i>\$338,325 42</i>
OPERATING EXPENSES:		
Maintenance of Way and Structures.....	\$82,246 02	\$89,210 77
Maintenance of Equipment.....	53,885 32	56,016 23
Traffic.....	4,109 32	4,223 79
Transportation.....	172,229 85	179,289 52
General.....	16,384 92	16,745 42
<i>Total Operating Expenses.....</i>	<i>\$328,855 43</i>	<i>\$345,485 73</i>
<i>Net Operating Revenue (Loss).....</i>	<i>\$19,577 95</i>	<i>\$7,160 31</i>
Tax Accruals.....	16,856 91	20,017 01
Uncollectible Railway Revenues.....	2 78	139 75
<i>Operating Income (Loss).....</i>	<i>\$36,437 64</i>	<i>\$27,317 07</i>
Rents from Equipment (excluding freight cars).....	2,654 15	2,326 19
Joint Facility Rent Income.....	146 00	146 40
<i>Total (Loss).....</i>	<i>\$33,637 49</i>	<i>\$24,844 48</i>
Hire of Freight Cars—Dr. Balance.....	\$42,263 83	\$40,384 19
Rents for Other Equipment.....	13,950 36	14,266 13
Joint Facility Rents.....	329 88	329 88
<i>Total.....</i>	<i>\$56,544 07</i>	<i>\$54,980 20</i>
<i>Net Railway Operating Income (Loss).....</i>	<i>\$90,181 56</i>	<i>\$79,824 68</i>
Other Income.....	3,468 61	3,555 29
<i>Total Income (Loss).....</i>	<i>\$86,712 95</i>	<i>\$76,269 39</i>
OTHER DEDUCTIONS.....	1,023 72	1,111 15
<i>Net Income (Loss).....</i>	<i>\$87,736 67</i>	<i>\$77,380 54</i>

No. 22

BARRE AND CHELSEA RAILROAD COMPANY

GENERAL BALANCE SHEET

DECEMBER 31, 1925

ASSETS		LIABILITIES	
Investment in Road and Equipment...	\$512,871 66	*Capital Stock—4,000 shares	\$400,000 00
Miscellaneous Physical Property	13,917 09	Traffic and Car Service Balances	
Other Investments—Bonds	3,000 00	Payable	1,363 60
Cash	458,324 28	Audited Accounts and Wages Payable..	5,301 21
Traffic and Car Service Balances		Dividends Matured Unpaid	129 00
Receivable	2,974 38	Tax Liability	3,539 50
Net Balance Receivable from Agents		Accrued Depreciation—Equipment....	101,556 66
and Conductors	215 40	Other Unadjusted Credits	26 80
Miscellaneous Accounts Receivable....	2,270 68	Additions to Property through Income	
Material and Supplies	22,314 29	or Surplus	8,235 47
Rents Receivable	500 00	Profit and Loss	498,251 66
Other Unadjusted Debits	2,016 12		
<i>Total</i>	<u>\$1,018,403 90</u>	<i>Total</i>	<u>\$1,018,403 90</u>
		*3,989 shares owned by the Vermont Valley R.R.	
		10 " " " " Boston and Maine R. R.	

*ROAD OPERATED

	Miles
Ayer St., Barre, Vt., to Quarries and East Barre, Vt.	21.48
Side Tracks	2.86
<i>Total Track</i>	<u>24.34</u>

* Does not include road from Tilden Bridge to Ayer St., Barre, Vt., 1.67 mile, leased to the Montpelier and Wells River Railroad.

No. 23

BARRE AND CHELSEA RAILROAD COMPANY

INCOME ACCOUNT

YEAR ENDED DECEMBER 31, 1925, COMPARED WITH PREVIOUS YEAR

	Year Ended December 31, 1925	Year Ended December 31, 1924
OPERATING REVENUES:		
Freight.....	\$177,988 18	\$185,219 91
Other Transportation.....	3,627 90	4,625 25
Incidental.....	1,726 00	604 00
<i>Total Operating Revenues.....</i>	<i>\$183,342 08</i>	<i>\$190,449 16</i>
OPERATING EXPENSES:		
Maintenance of Way and Structures.....	\$31,523 58	\$31,338 34
Maintenance of Equipment.....	43,526 58	62,233 53
Traffic.....	1,683 98	1,680 85
Transportation.....	51,005 49	56,043 58
General.....	6,895 37	7,081 10
<i>Total Operating Expenses.....</i>	<i>\$134,635 00</i>	<i>\$158,377 40</i>
<i>Net Operating Revenue.....</i>	<i>\$48,707 08</i>	<i>\$32,071 76</i>
Tax Accruals.....	7,951 00	8,720 99
<i>Operating Income.....</i>	<i>\$40,756 08</i>	<i>\$23,350 77</i>
Hire of Freight Cars—Cr. Balance.....	7,418 20	17,034 05
Rents From Other Equipment.....	—	1 43
<i>Net Railway Operating Income.....</i>	<i>\$48,174 28</i>	<i>\$40,386 25</i>
Other Income.....	13,027 30	14,986 30
<i>Net Income.....</i>	<i>\$61,201 58</i>	<i>\$55,372 55</i>
Dividends (10%).....	40,000 00	40,000 00
<i>Balance—Surplus.....</i>	<i>\$21,201 58</i>	<i>\$15,372 55</i>

No. 24

BOSTON AND MAINE TRANSPORTATION COMPANY

(Operations began May 17, 1925)

	Year Ended Dec. 31, 1925
REVENUES	
Freight.....	\$35,819 24
Passenger.....	109,594 83
Special Bus Revenue.....	4,264 85
Mail Revenue.....	333 59
Other Transportation Revenue.....	25 39
Station and Bus Privileges.....	318 75
Income from Unfunded Securities and Accounts.....	146 26
<i>Total Revenues.....</i>	<i>\$150,502 91</i>
OPERATING EXPENSES	
MAINTENANCE OF WAY AND STRUCTURES:	
Removal of Snow and Ice.....	\$30 50
Maintenance of Buildings, Fixtures and Grounds.....	603 04
MAINTENANCE OF EQUIPMENT:	
Superintendence.....	2,227 36
Repairs, Buses and Trucks.....	2,367 67
Repairs and Renewals of Tires and Tubes.....	7,891 08
Miscellaneous.....	1,761 09
POWER.....	11,676 46
TRANSPORTATION:	
Superintendence.....	11,086 00
Chauffeurs.....	17,229 23
Garage Employees and Expenses.....	5,149 76
Miscellaneous.....	9,818 47
TRAFFIC:	
Superintendence and Solicitation.....	2,007 41
Advertising.....	4,881 81
RENT OF EQUIPMENT.....	63,238 69
GENERAL:	
Salaries and Expenses of General Office.....	4,232 56
Insurance.....	5,356 50
Miscellaneous.....	167 57
<i>Total Operating Expenses.....</i>	<i>\$149,725 20</i>
<i>Net Revenues.....</i>	<i>\$777 71</i>
Tax Accruals.....	\$6,112 82
<i>Net Loss.....</i>	<i>\$5,335 11</i>
Dividends.....	138 16
<i>Balance — Deficit.....</i>	<i>\$5,473 27</i>

1925

